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- *Budget Message of the Governor*
- *Letter of Transmittal of the Director of Finance*
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- *Budget Schedules and Charts*

FROM THE

# CALIFORNIA STATE BUDGET

SUPPORT AND LOCAL ASSISTANCE

CAPITAL OUTLAY  
AND

FIVE-YEAR CONSTRUCTION PROGRAM

For the Fiscal Year

July 1, 1969 to June 30, 1970



*Submitted by*  
**RONALD REAGAN**  
*Governor*

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1969 Regular Session



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RONALD REAGAN  
GOVERNOR

# State of California

GOVERNOR'S OFFICE  
SACRAMENTO 95814

February 4, 1969

## Budget Message

*To the Members of the Legislature of California:*

Among the most important duties of the Governor is the Constitutional requirement that I submit to the Legislature a "budget . . . containing . . . recommended state expenditures and estimated state revenues."

The Constitution also requires me, in the event that my recommended expenditures should exceed estimated revenues, to recommend sources for the additional revenue.

Fortunately, it will not be necessary to refer further to that provision in the Constitution, because the expenditures I propose are well below our revenue resources. Therefore, I am very pleased and proud to be able to recommend that you enact a bill I will shortly submit to you, which will reduce personal income taxes in the coming fiscal year by one hundred million dollars. Generally speaking, this could work out so that most people will have a 10% reduction in the coming fiscal year.

In addition, we recommend that approximately \$235,000,000 in state revenues be returned for property tax relief, and that we continue with doubled standard deduction which will save taxpayers another \$45,000,000.

Thus, while we are submitting a budget that totals \$6,225,633,118, or 3.9% more than the amount we will spend in the current fiscal year, I believe we have started what I hope can be a new trend in governmental finance, for \$380,000,000 of our income is being allocated for tax reduction, rather than new spending programs.



Lest anyone feel that we are blinding ourselves to our current and future needs, let me hasten to assure you that prudent financial management, and the institution of many internal economies and administrative improvements, will enable us to meet our growing needs, without additional taxation and with much needed relief for our taxpayers.

In the critically important field of education, I am recommending that we increase our already massive public school aid by \$105,500,000 in new money, plus additional amounts to cover costs of increased enrollment, to a total of about \$1,603,000,000, including increased aid for the disadvantaged and the gifted. For higher education, I urge that we increase our state support payments by \$61 million, or a total support appropriation of more than \$594,000,000 for our state colleges and universities.

These we believe are necessary increases—necessary to ensure that the growing number of qualified young people, upon whose skills and developed talents rests, to a very considerable extent, the future of this State, will continue to have the unmatched opportunity to experience, and benefit from, our magnificent system of higher education. In that connection, I also recommend a \$5 million increase in our scholarship funds to ensure that a family's financial condition shall be no bar to participation in California higher education. I might add that, as most of you know, we are doing everything possible, in addition to providing adequate funds, to keep our University and State Colleges great. This specifically includes preserving these institutions against the attacks of a small number of revolutionary destructionists.

In the general area of concern we all have for the less fortunate in our state and community, I am recommending major increases in the local assistance portion of the budget for the treatment of mental illness much closer to home (and, we believe, much more effective and acceptable treatment for patients and their families).

Our welfare and Medi-Cal programs continue to require massive infusions of additional tax moneys. We have made, and will continue to make all possible internal improvements and economies consistent with fulfilling the statutory objectives and levels set for these programs. We have sought, and you have granted, some of the cost control bills we believe necessary

to prevent waste, unnecessary utilization and loose administration of both welfare and Medi-Cal. We will have new proposals along these lines, whose only goal will be to ensure that our emphasis be directed toward transfer of the able-bodied from the welfare rolls to useful and profitable private employment, and the rapid cure of those of our ill who cannot provide for their own treatment on a proper scale.

I think it proper to assure you again that my goal continues to be the provision of necessary governmental services at the least possible cost, and with the smallest amount of governmental power needed.

This in turn can free the private energies and talents of our people. I remain convinced that these energies and talents can, with suitable governmental action to protect the rights of all, be a greater force for good than anything yet unleashed.

Holding this philosophy as I do, you may be certain that whatever increases I have requested are fully necessary to take care of our growing population and the additional costs required by the national inflation over which we in California have no control.

Finally, we should bear in mind that the state does not *spend*, in the generally understood sense of that word, more than about \$1.7 billion out of our total budget of some \$6 billion, for the general operations of state government within the responsibility of the Governor. In addition to those operational expenses, we will spend about \$90 million for new construction, financed from our General Fund, and about \$770 million in other construction financed from bond issues passed some years ago, from gas tax money for highways and other special funds.

The rest, which is well over half our total budget, or about \$3,642,000,000, is to assist local government to meet its needs. Included in this huge total, is about \$1,603,000,000 in state aid for our public school system, nearly \$955,000,000 for welfare and Medi-Cal, and another \$595,000,000 in taxes which we collect simply to return to local government.

The state operations portion of our budget has increased 7%, which is less than the national inflation figure, while our assistance to local government will increase about 14%.

It should be emphasized again that not only are we including about \$183 million in direct homeowners property tax relief,

but we are providing \$43 million more in business inventory tax reduction, we are wiping out the personal property tax on household furniture, and spending \$8½ million for senior citizens' property tax relief.

In addition, I am recommending, as I said, the equivalent of a 10% personal income tax reduction for the fiscal year 1969-1970. I know there will be strong pressures on you to spend this sum for new projects or additions to existing programs. I hope you will strongly resist these temptations.

The money is available largely because of our own economies and because national inflation has produced more revenues than anyone could anticipate. It may well be that the Advisory Commission on Tax Reform, which I established last year, will report some recommendations for permanent tax reductions, or other acceptable reforms, and if so, they could, of course, take effect on a permanent basis. Meanwhile, our taxpayers should be given immediate consideration and immediate relief, by using funds we have now but which may not be available to us next year.

I have also included in the budget sufficient funds to provide a 5% increase in salaries of state employees. While this is less than some have recommended, and more than many have urged, I think it proper to recognize that it is neither realistic nor fair to ask our state employees to absorb the full burden of the national inflation which has boosted the price of everything we all must buy.

By the same token, the people of California have a right to expect that there will be the same full measure of devoted service in the future that the vast majority of our state employees have given in the past. Needless to say, unwarranted and illegal strikes by a small number of public employees can only make it more difficult for us to secure proper public recognition of the legitimate needs of the vast majority of loyal and dedicated civil servants.

In general, we have managed to hold our total expenses down to the modest increases recommended here because we have most carefully scrutinized requests for new or expanded programs. We have approved some \$26 million in new and strengthened General Fund programs, out of some \$500 million in new requests. These include vastly improved care of the mentally ill;



the implementation of the statewide criminal justice information system; new educational and employment opportunities for the disadvantaged; the steps necessary to ensure higher water quality standards; a general intensification of our public health efforts, both against pollution and other health hazards; provision for a new smog laboratory; strengthened efforts to enable us to predict earthquakes and protect against them; a greatly increased attack capacity against forest fires; continued protection against indiscriminatory filling of San Francisco Bay, and many others. And, as we have seen, we have increased the support for other programs in the amount needed to keep pace with our growth.

We have resisted great pressures to add more new programs which would skyrocket the total cost of government. It is only because we have done this that we have been able, in the three budgets I have presented, to keep the rate of increase of expenditures for state operations substantially below the rate of increase of the prior administration.

Our efforts to preserve and improve this record will continue. We do not feel that it is enough just to present *this* budget, with its surplus and its proposals for meeting growth, and for tax reduction. We have also looked at the fiscal year 1970-1971 and in effect sketched out a tentative budget for that year, based on known and predictable increases in population and costs.

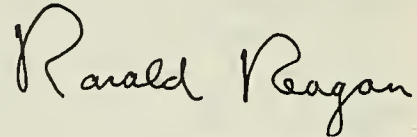
If the budget before you is not increased, we can offer the same happy result in 1970-1971: A balanced budget that meets the state's needs without new taxes.

Surpluses always offer a great temptation for spending, but the surpluses we project are no more than safe margins against the possibility of change of economic conditions, or the imposition of more onerous federal requirements and rules. For example, just this year we will have to pay \$16,000,000 more than in prior years, simply because last year the federal government changed its rules for aiding those school districts which feel a heavy impact of federal employees.

Many will also say that there are higher priorities for spending than tax relief, although doubtless they will not phrase it so bluntly. But in my view, tax relief is not only a necessary priority in view of the total amount each citizen must pay for all levels of government (which last year exceeded \$1,350.00 for

each person in California), but because we can only continue to attract the new job-producing capital we must have, if our tax structure remains competitive with other states.

We have a fiscally sound government, which can continue to meet our real needs and furnish tax relief to our citizens. I hope and am sure you will join with me in the vital effort needed to keep it that way.

  
*Governor*

# Letter of Transmittal

1969-70 Budget

HONORABLE RONALD REAGAN  
*Governor of California*  
*State Capitol*  
*Sacramento, California 95814*

DEAR GOVERNOR REAGAN:

I have the honor to transmit to you, pursuant to Article IV, Section 12, of the State Constitution, the budget for the State of California for the fiscal year from July 1, 1969, through June 30, 1970.

This is the first Program Budget for all our State government activities. As you know, we are presenting a Program Budget to you more than two years ahead of the original schedule. We decided to advance this timetable because I am convinced that program budgeting will give us additional management tools of great value in measuring the effectiveness of various programs, and in helping us to allocate the limited financial resources of State government to the most pressing needs.

And so, the budget this year presents state operations and local assistance expenditures in Program format. A supplemental document is available which presents the traditional line-item budget. In subsequent years we plan to eliminate the line-item presentation entirely.

I am convinced that only if we can see and identify the amount we are spending for each program can we make the best use of our resources to reach the goals of your Administration. The traditional line-item budget simply is a list of expenditures by organization. The transition to program budgeting was not an easy task, and this document is not the final product. However, we are proud of the progress we have made in a very short time, recognizing full well that there is much room for improvement in later years.

The Programming and Budgeting System includes continuous, in-depth analysis of every state program, and even as this document is being submitted to the Legislature, your agency heads are proceeding with the evaluation of the programs for which they are responsible for the 1970-71 Budget. This analysis will include a definition of the programs now being undertaken, a consideration of how effectively they are working to achieve stated goals, a discussion as to whether new and other programs might not achieve those goals more effectively or with less cost, and attempts to eliminate any duplication that may exist as a result of different departments or agencies working on parts of the same problem.

These program hearings will run through the Spring and should put everyone in a much better position, not only to prepare the 1970-71 Budget in detail in the Fall, but, and far more important, to consider the success (or lack thereof) all of our agencies are having in carrying out present assignments. Indeed, the essence of the Programming and Budgeting System is that there be continuous evaluation and analysis of the need for a particular program, its objectives and its results.

We all know that efforts to drop existing programs, or at least reduce them, to free assets which can bring nearer the goals of your Administration, are not easily achieved.



It is widely recognized that most of the pressures that are felt, are exerted to maintain or increase State support for all of the activities in which the State is now engaged. I am most hopeful that the Spring program hearings to be conducted this year will result in an intense self-analysis of what we are doing and why, and whether we could not do better.

The Budget that we transmit to you with this letter is balanced, it contains recommendations for a \$100 million State income tax reduction for the Budget year, and it demonstrates that the growing needs of the State can be financed without additional taxes.

It is my feeling that this is not enough. We must look beyond the Budget year, and we have done so. It is particularly important to do this when a tax reduction program is proposed, as it is here. However, recognizing the difficulty and hazards of estimating revenues through June 30, 1971, we still believe, on the basis of the demonstrated previous estimating ability of the permanent Department of Finance staff, that we *can* balance the 1970-71 Budget without new taxes, providing, of course, that the Legislature stays within the rough outlines of expenditure limitation that we now have in mind for that Budget.

However, we have no doubt at all that the 1970-71 Budget *should* be balanced without new taxes, and for that reason, if the revenue estimates are adversely affected by changing economic conditions or other events beyond our control, we would strongly recommend that expenditures be reduced, or even in some cases that programs be dropped, so that no new taxes need be imposed. At this point, we believe that the 1970-71 Budget will not require new taxes, and that it can provide in a reasonable way for both the continued growth of the State, and what has come to be called the "normal" national inflationary trend.

Table I summarizes our projections of General Fund income and outgo for the three fiscal years from 1968-69 through 1970-71.

**Table I**  
**GENERAL FUND BUDGET SUMMARY**

	(In Millions)		
	<i>Estimated</i> 1968-69	<i>Proposed</i> 1969-70	<i>Projected</i> 1970-71
<b>INCOME</b>			
Existing revenue program -----	\$4,074.1	\$4,326.0	\$4,720.0
<b>EXPENDITURES</b>			
State Operations -----	1,275.9	1,345.9	1,434.1
Local Assistance -----	2,640.2	2,998.2	3,183.2
Capital Outlay -----	83.6	90.7	125.0
Total Expenditures -----	\$3,999.7	\$4,434.8	\$4,742.3
<b>CURRENT SURPLUS OR DEFICIENCY -</b>	74.4	-108.8	-22.3
<b>PRIOR YEAR RESOURCES AVAILABLE *</b>	188.5	262.9	54.1
Proposed income tax reduction -----	-	-100.0	-
<b>ENDING RESOURCES *</b> -----	\$262.9	\$54.1	\$31.8
Reserve for unencumbered balances of continuing appropriations -----	15.6	14.0	14.0
Free surplus -----	247.3	40.1	17.8

\* Excludes \$194 million reserved for working capital.



The 1969-70 Budget transmitted to you with this letter was constructed on the premise that strict economies would be required of all agencies. In order to achieve balance, tax reduction, and the additions in education, mental health and in many other areas, it was necessary to reduce expenditure requests by more than \$500 million.

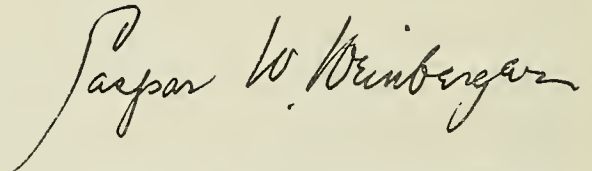
However, despite these major reductions, we have provided for workload increases necessitated by a population that is anticipated to increase during the Budget year by 362,000 people; we have provided for the price increases required by national inflation; we have included funds for merit salary adjustments delayed the past two years and without which we believe some operating efficiency would be curtailed; and we have further recognized national inflation by providing a five per cent salary increase for State employees, having in mind that all of the things all of us need have risen in cost. I believe this type of salary increase recognizes, but does not add to, the inflationary trends.

As you know, we have severe limitations on the number of priority decisions that can be made because so much of the Budget is controlled by fixed, dedicated special funds or formulas frozen into the Constitution and many of our statutes. It has long been my personal opinion that each Governor should be able to allocate all of the State's resources for the priorities that seem most necessary to his Administration in a particular year.

The limited area for setting of priorities intensifies the difficulties of the decisions we have made. Solutions to human needs are never easy, but the difficulty of the task is no reason for not making clear-cut judgments in areas of vital concern to the State. For example, the determination that property and income tax relief has a high priority is such a decision, and I am convinced that it is a proper one.

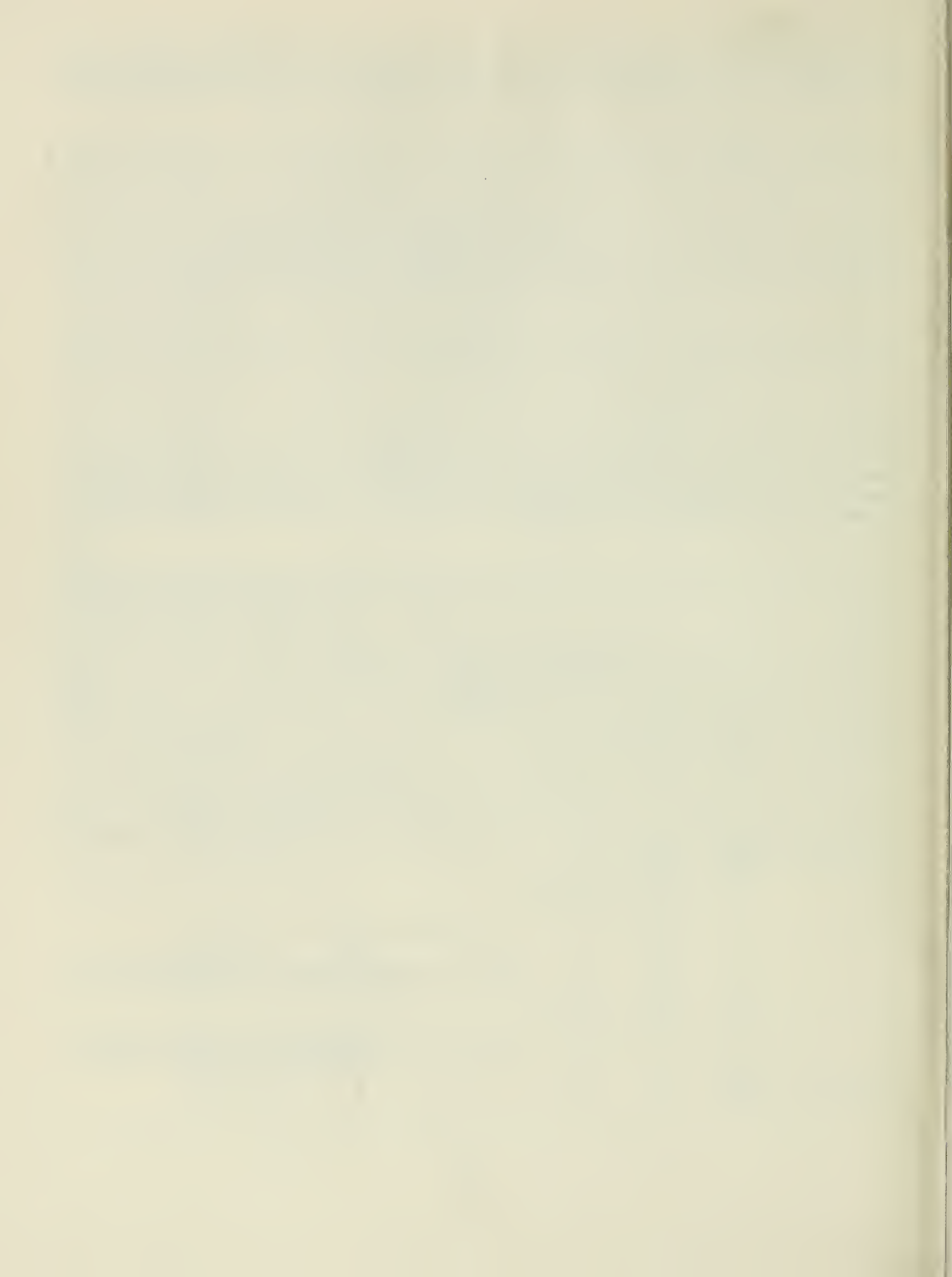
I would be less than just if I did not advise you that we have received excellent cooperation and the very high expertise of which most units of our State government are capable. This cooperation should be given special recognition. The transition from one style of Budget to another is difficult, and as we have seen, involves a dual system during the initial period of change. I cannot speak too highly of the extremely professional and extraordinarily able approach of your Cabinet, your department heads, and also the top permanent staffs of many of the departments. I am particularly proud and grateful for the thoroughly dedicated, extraordinarily able and very loyal work of our permanent career experts in the Department of Finance headed by Roy Bell and Ed Beach and for the fine work of the two Deputy Directors James Dwight and Kirk West. This is the type of service they gladly give, but because it is always given, the highly unusual and exceptional nature of this service may be overlooked and treated as routine. Their work has made possible not only a budget reform which I think it is accurate to say is without parallel in this country, and at the same time has made it possible to present to you a balanced Budget with the many fiscal achievements which it contains.

Respectfully yours,



CASPAR W. WEINBERGER  
Director of Finance

February 4, 1969



**Schedule 1**  
**GENERAL BUDGET SUMMARY <sup>1</sup>**

**General Fund**

	<i>Reference to Schedule</i>	<i>Actual 1967-68</i>	<i>Estimated 1968-69</i>	<i>Estimated 1969-70</i>
<b>INCOME <sup>2</sup></b>				
Existing revenue program -----	2	\$3,682,301,225	\$4,074,089,069	\$4,325,996,476
<b>EXPENDITURES <sup>3</sup></b>				
State Operations -----	3	1,109,227,642	1,275,924,768	1,345,933,105
Local Assistance -----	3	2,146,332,274	2,640,238,741	2,998,160,828
Capital Outlay -----	3	17,249,378	83,550,104	90,656,758
Total Expenditures -----	3	\$3,272,809,294	\$3,999,713,613	\$4,434,750,691
CURRENT SURPLUS OR DEFICIENCY----		409,491,931	74,375,456	<sup>6</sup> —108,754,215
PRIOR YEAR RESOURCES AVAILABLE--	4	—26,998,497 <sup>4</sup>	382,493,434	456,868,890
Proposed income tax reduction -----	2	—	—	<sup>7</sup> —100,000,000
ENDING RESOURCES-----		\$382,493,434	\$456,868,890	\$248,114,675
Reserve for working capital <sup>5</sup> -----	4	194,000,000	194,000,000	194,000,000
Reserve for unencumbered balances of continu- ing appropriations -----	4	15,003,319	15,641,533	13,972,875
Free surplus -----	4	173,490,115	247,227,357	40,141,800

**Special Funds**

<b>INCOME <sup>2</sup></b>				
Existing revenue program -----	2	\$1,244,807,572	\$1,298,831,124	\$1,357,598,124
<b>EXPENDITURES <sup>3</sup></b>				
State Operations -----	3	286,310,053	330,508,475	375,901,447
Local Assistance -----	3	570,366,106	556,534,455	637,258,099
Capital Outlay -----	3	354,893,450	568,823,843	351,027,200
Total Expenditures -----	3	\$1,211,569,609	\$1,455,866,773	\$1,364,186,746
CURRENT SURPLUS OR DEFICIENCY----		33,237,963	—157,035,649	—6,588,622
PRIOR YEAR RESOURCES AVAILABLE--	4	347,145,109	361,454,715	204,419,066
Prior year surplus adjustment -----	4	—18,928,357	—	—
ENDING RESOURCES -----		\$361,454,715	\$204,419,066	\$197,830,444
Reserves -----	4	38,948,845	30,525,043	30,812,925
Free surplus -----	4	322,505,870	173,894,023	167,017,519

<sup>1</sup> The General Budget Summary includes the revenues and expenditures of all state funds and activities that reflect the cost of state government. The transactions involving bond funds, federal funds, and other funds are excluded.

<sup>2</sup> Income for the General Fund includes revenues which were originally deposited in a special fund and subsequently transferred to the General Fund, and transfers of surplus from special funds. Such amounts are reduced from special fund revenues.

<sup>3</sup> Outgo from the General Fund includes amounts transferred to special funds and expenditures from special funds are reduced by a like amount.

<sup>4</sup> Ending General Fund resources for 1967-68 were originally reported at \$56,362,347. However the State Controller later adjusted this figure downward by—\$83,360,844, primarily as a result of elimination of Personal Income Tax accrued revenues due to Chapter 44, Statutes of 1967. Ending resources were therefore reduced accordingly.

<sup>5</sup> In 1966-67 the General Fund borrowed \$194 million from special funds to meet cash flow needs which could not be repaid from existing revenues. This borrowing was repaid from additional revenues raised during the 1967 legislative session, and this amount is shown in future years as a budgetary reserve for working capital so that the General Fund will not have to borrow more than it can repay at the end of any fiscal year. It represents an amount of accrued revenue that cannot be appropriated for expenditure without leaving a cash deficit in the General Fund at the end of any fiscal year. The Attorney General has advised that leaving such a cash deficit violates the Constitution.

<sup>6</sup> Of this amount, \$105,500,000 represents additional assistance to public schools. This additional assistance can be continued at this level in 1970-71 within predicted revenues if expenditure estimates are accepted for that year.

<sup>7</sup> During 1968 internal economics, improved management, and inflationary aspects of the economy which produced substantial unanticipated increases in state General Fund revenues, resulted in a large increase in General Fund surplus. A one-time \$100,000,000 tax reduction is proposed for 1969-70 from this available surplus.



## Schedule 1-A

## GENERAL FUND SURPLUS AVAILABLE FOR APPROPRIATION JUNE 30, 1969

## RECONCILIATION OF THE CHANGES FROM THE PREVIOUS BUDGET ESTIMATES

1967-68 Fiscal Year	1968-69 Governor's Budget Previous Estimate	1969-70 Governor's Budget Revised Estimate	Adjustment of Surplus
Income (Revenue and Transfers)-----	\$3,515,812,223	\$3,682,301,225	\$166,489,002
Outgo (Expenditures and Transfers)-----			
State Operations-----	\$1,125,988,666	\$1,109,227,642	\$16,761,024
Local Assistance-----	2,174,787,720	2,146,332,271	28,455,446
Capital Outlay-----	27,493,044	17,249,378	10,243,666
Subtotal Expenditures and Transfers-----	\$3,328,269,430 <sup>a</sup>	\$3,272,809,294	\$55,460,136
Prior Year Surplus Adjustments-----	-	-\$83,360,844 <sup>c</sup>	-\$83,360,844 <sup>c</sup>
1968-69 Fiscal Year			
Income (Revenue and Transfers)-----	\$3,869,793,147	\$4,074,089,069	\$204,295,922
Outgo (Expenditures and Transfers)-----			
State Operations-----	\$1,268,524,892	\$1,275,924,768	-\$7,399,876
Local Assistance-----	2,539,152,511	2,640,238,741	-101,086,230
Capital Outlay-----	90,402,220	83,550,104	6,852,116
Subtotal Expenditures and Transfers-----	\$3,898,079,623 <sup>b</sup>	\$3,999,713,613	-\$101,633,990
Reserve for unencumbered balances of continuing appropriations--	\$12,269,631	\$15,641,533	-\$3,371,902
Reserve for Working Capital-----	\$194,000,000	\$194,000,000	-
EFFECT OF REVISED ESTIMATES AS REPORTED IN THE 1969-70 GOVERNOR'S BUDGET--			\$237,878,324
GENERAL FUND SURPLUS AVAILABLE FOR APPROPRIATION, June 30, 1969 as estimated in the 1968-69 Budget-----			9,349,033
GENERAL FUND SURPLUS AVAILABLE FOR APPROPRIATION, June 30, 1969 as estimated in the 1969-70 Budget-----			\$247,227,357

## 1968-69 Governor's Budget

<sup>a</sup> Refer to Schedule 1, page A-3-----\$3,328,269,430 <sup>a</sup><sup>b</sup> Refer to Schedule 1, page A-3-----\$3,898,079,623 <sup>b</sup><sup>c</sup> Primarily due to elimination of accrual of Personal Income Tax in accordance with the requirements of Chapter 44, Statutes of 1967.



**Schedule 1-B**  
**GENERAL FUND**  
**STATEMENT OF FINANCIAL CONDITION <sup>a</sup>**  
**June 30, 1968**

ASSETS		LIABILITIES	
Cash		Accounts Payable	
In State Treasury-----	\$137,473,914	State Operations-----	\$66,084,006
In Agency Accounts-----	32,685,000	Capital Outlay-----	6,497,845
		Local Assistance-----	106,803,585
Accounts Receivable—Current			
Abatements and Reimbursements-----	\$48,559,339	Due to Other Funds-----	\$29,146,211
Revenue-----	339,870,428	Prepayments from Other Funds-----	2,452,411
Due from Other Funds-----	15,007,883	Other Liabilities-----	7,735,189
Due from Local Governments-----	156,797		
Other Current Accounts Receivable-----	738,816	Total Liabilities-----	\$218,782,147
Accounts Receivable—Deferred			
Revenue-----	\$67,210,558		
Due from Other Funds-----	6,828,326	RESERVES	
Interfund Building Loans-----	12,006,505	Uncleared Collections-----	\$1,774,159
Due from Local Governments-----	4,532,139	Unencumbered Balance of Continuing Appropriations-----	15,003,319
Other Deferred Accounts Receivable-----	9,082,014		
Total-----	\$99,750,142	Total Reserves-----	\$16,777,478
Less: Reserve for Deferred Accounts Receivable-----	—\$99,750,142		
Deferred Charges		SURPLUS	
Advances to Counties for Social Welfare-----	\$24,761,263	Unrestricted Surplus-----	\$367,490,115
Prepayments to Other Funds-----	2,920,012		
Other Deferred Charges-----	875,688	TOTAL LIABILITIES, RESERVES, AND SURPLUS-----	\$603,049,740
TOTAL OPERATING ASSETS-----	\$603,049,740	State's Investment in Capital Assets-----	\$1,410,592,897
General Fund Assets		General Obligation Bonds-----	\$4,609,582,000
Land, Improvements and Equipment-----		Less: Self-Liquidating Bonds-----	2,264,207,000
Amount to be Provided for Retirement of Long-Term Obligations			
Amount Available in Dedicated Funds-----		Net General Bonded Debt-----	
Amount to be provided from future revenue and school districts-----	\$54,000	Interest Payable in future years-----	\$2,345,375,000
	3,279,656,876		93,335,876
Total Amount Available and to be Provided-----	\$3,279,710,876	Net Total Long-Term Obligations-----	\$3,279,710,876

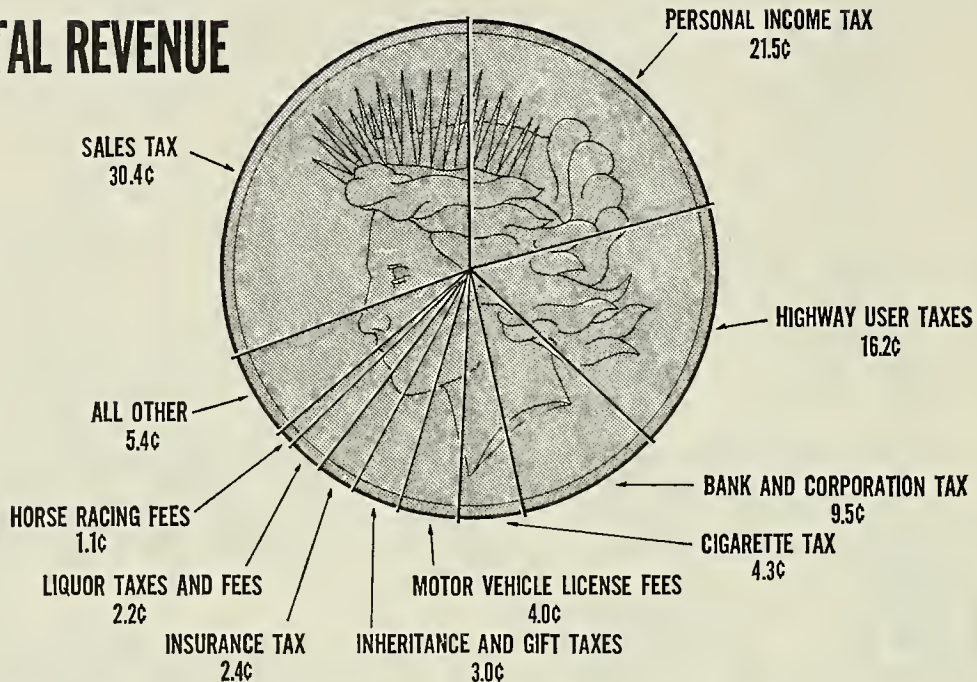
• The data that appears in this statement will appear in the Report of the State Controller for the year ended on June 30, 1968.

CHART 1

# REVENUE DOLLARS

## 1969-70 FISCAL YEAR

### TOTAL REVENUE



### GENERAL FUND REVENUE

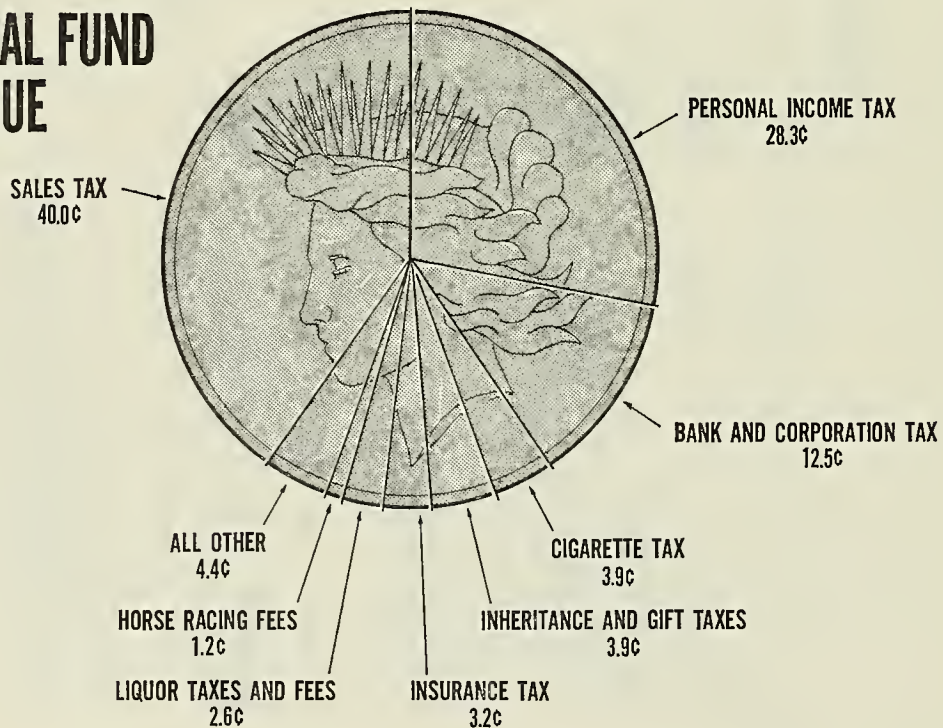
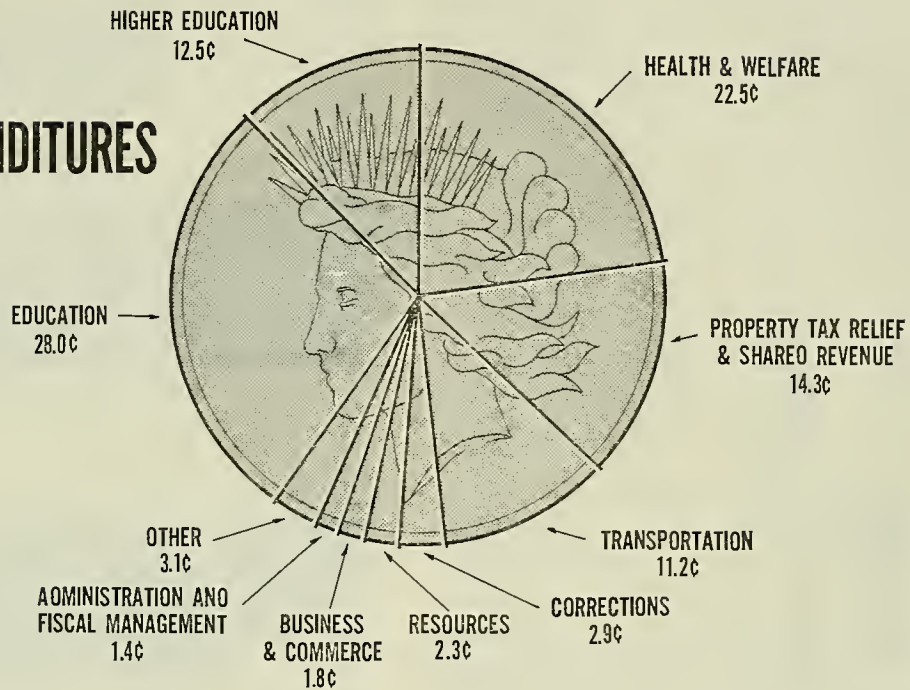


CHART 2

# EXPENDITURE DOLLARS

## 1969-70 FISCAL YEAR

### TOTAL EXPENDITURES



### GENERAL FUND EXPENDITURES

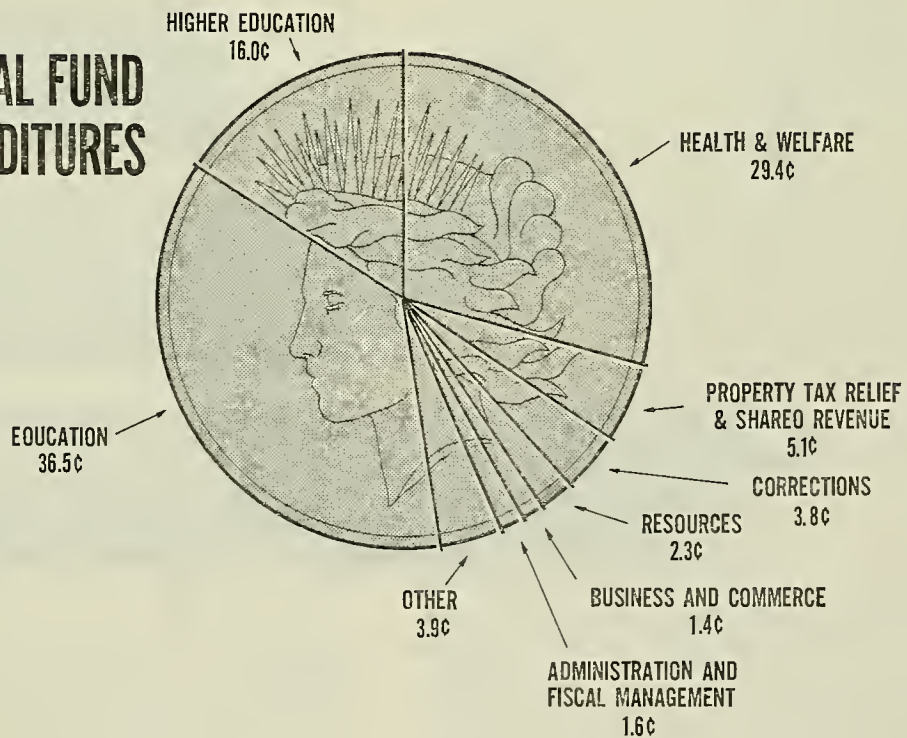
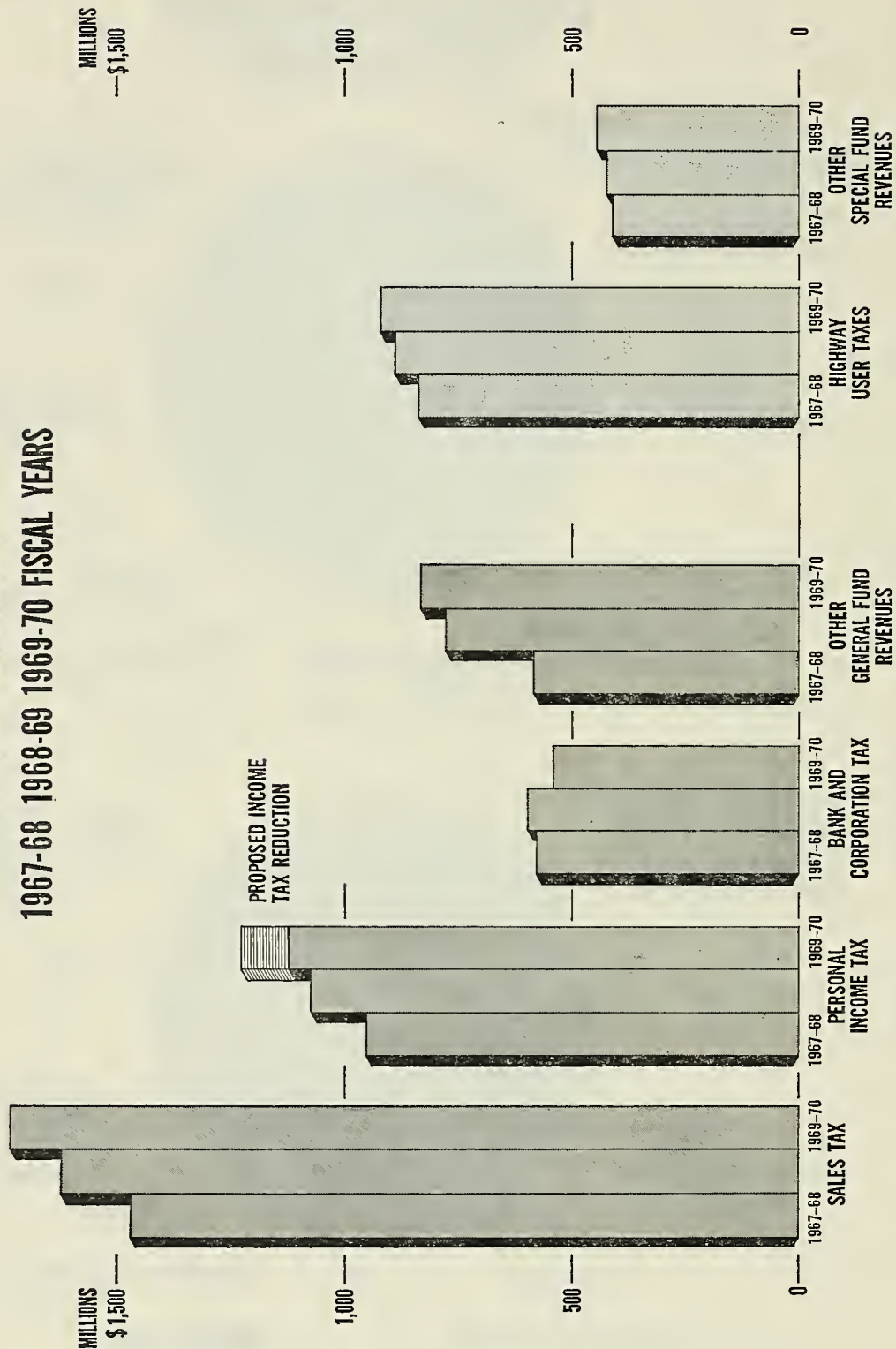




CHART 3

# STATE REVENUE

## 1967-68 1968-69 1969-70 FISCAL YEARS





# Revenue Estimates

State revenue during the 1969-70 fiscal year is expected to total \$5,683,344,600, approximately \$310 million more than anticipated for the current year and about \$751 million greater than was received in 1967-68. These revenues are reported on an accrual basis conforming with the policy adopted in 1966. Governor Reagan is proposing a 10 percent reduction in the personal income tax on 1969 incomes. This will amount to \$100 million and it has not been deducted from the above totals.

Receipts for 1967-68 reflect the tax program enacted in 1967 but effective for only part of 1967-68. Revenues for 1968-69 and 1969-70 include the effects of legislation enacted in 1968.

Generally, tax yields follow changes in economic activity in this state and in the nation. The substantial increase in anticipated receipts for the current fiscal year reflects the high level of economic growth in 1968, the sharp rise in prices, and the record \$5.9 billion gain in personal income of Californians.

Continued growth and price increases are expected in 1969 but at somewhat slower rates, and the revenue estimates reflect these assumptions. In addition, changes in the prepayment schedule of the bank and corporation tax, which were part of the 1967 tax program, will lower receipts in 1969-70. Without this change the gain in 1969-70 would be \$367 million, more nearly reflecting the slower growth in the economy expected in the current year. The economic assumptions underlying the revenue estimates are discussed later and are shown in Table 3.

Revenue for the General Fund in 1969-70 is expected to reach \$4,323,094,000\*, or \$255 million more than is anticipated for the current year and \$645 million more than reported for 1967-68. The gains between fiscal years in General Fund receipts have been distorted because of the previously mentioned changes.

Receipts for all special funds total \$1,360,251,000, or \$55 million more than the current year and \$106 million more than was received in 1967-68. Much of the current year's gain resulted from the very high sales volume of new vehicles. Highway user levies make up the bulk of revenue for special funds. The smaller gain in revenue for the budget year reflects the 4.8 percent drop expected in new car sales in 1969.

Receipts for the General Fund and special funds for fiscal year 1968, the current year, and the budget period are shown in Table 1.

## Revised Estimates

Last year's budget showed estimated revenue totaling \$5,139,711,000 for 1968-69 of which \$3,863,595,000 was for the General Fund and \$1,276,115,000 for all special funds.

The estimate of General Fund revenue presupposed the continuation of the state sales tax at a 4 percent rate, although this was contingent upon the enactment of a property tax relief program before June 15, 1968.

\* This and subsequent dollar amounts have been rounded. Totals, differences and percentages have been computed from whole numbers.

Table 1  
STATE REVENUE COLLECTIONS  
(In millions)

<i>Taxes, fees, etc.</i>	1967-68 Actual	1968-69 Esti- mated	1969-70 Esti- mated	1969-70 Percent of total
<b>General Fund:</b>				
Sales and use .....	\$1,464.9	\$1,620.0	\$1,730.0	30.4
Personal income .....	952.5	1,075.0	1,223.0	21.5
Bank and corporation .....	576.9	594.0	539.0	9.5
Cigarette .....	158.5	169.4	169.4	3.0
Inheritance and gift .....	135.6	153.3	171.0	3.0
Insurance .....	121.2	128.0	137.0	2.4
Alcoholic beverage .....	99.0	106.8	111.4	2.0
Horse racing .....	46.1	50.7	53.8	0.9
Other sources .....	123.4	170.9	188.5	3.3
<b>Totals, General Fund</b> .....	<b>\$3,678.1</b>	<b>\$4,068.1</b>	<b>\$4,323.1</b>	<b>76.0</b>
<b>Special funds:</b>				
<b>Motor vehicle:</b>				
Fuels .....	580.5	609.7	637.2	11.2
Registration, weight, etc. ....	237.5	249.3	259.0	4.6
License (in lieu tax) .....	200.4	216.7	227.8	4.0
Transportation .....	18.9	22.0	24.0	0.4
Cigarette .....	60.7	72.6	72.6	1.3
Alcoholic beverage .....	11.6	12.0	12.6	0.2
Horse racing .....	8.7	9.5	9.2	0.2
Other .....	135.6	113.2	117.9	2.1
<b>Totals, Special funds</b> .....	<b>\$1,254.0</b>	<b>\$1,305.0</b>	<b>\$1,360.3</b>	<b>24.0</b>
<b>Totals</b> .....	<b>\$4,932.0</b>	<b>\$5,373.1</b>	<b>\$5,683.3</b>	<b>100.0</b>
Proposed income tax reduction .....	-	-	-\$100.0	

As the deadline approached, the sales tax rate was extended until a relief program was adopted by the Legislature in a special session last September and approved in the 1968 general election.

In addition to providing property tax relief to homeowners, relief was also provided for the renter through a doubling of the California personal income tax standard deduction. These changes, together with other legislation, reduced the original budget estimate of General Fund revenue to \$3,823,700,000 and special fund receipts to \$1,263,600,000.

When the original budget estimates were prepared it was assumed, among other things, that a federal income tax surcharge of 6 percent would be enacted by April 1968, that prices would rise by 3 percent, that residential building would be sustained at 1967 year-end levels, and that new car sales would rise by 6.7 percent. Instead, the federal surcharge was delayed until July and has had a minor effect in curbing inflationary pressures in 1968. Consumer prices in 1968 rose more than 4 percent. Residential building, notwithstanding the high interest rates, is almost 25 percent above the original forecast, and new car buying rose to a record level, scoring more than double the growth originally expected.

The improved conditions created an economic level well above that forecast last year. Gross national product, at \$861 billion, was \$17 billion higher; corporate profits nationally were \$3 billion above the forecast; and most important, California personal income was greater by \$1.7 billion. These higher factors are producing \$46 million more in state sales tax, \$47 million more in bank and corporation tax, while the yield of personal income tax will probably exceed expectations by almost \$100 million.



Nontax General Fund revenues are also considerably higher than originally forecast. The gains are occurring principally in receipts connected with the Medi-Cal program and interest income. The latter reflects the greater flow of revenue and the higher interest rates.

In total, General Fund revenue for 1968-69, as shown in this year's budget, exceeds last year's estimate, adjusted for legislation, by more than \$244 million, or 6.4 percent.

Special fund revenues are greater than estimated last year by \$41 million, or 3.3 percent. The gains are occurring principally in the highway user taxes, again the reflection of exceptionally high new vehicle purchases, and interest income affected by increased revenue and higher interest rates.

A summary of the original forecasts, adjusted for legislation, and the revised estimates shown in this budget are given in Table 2.

Table 2  
COMPARISON OF ORIGINAL AND REVISED  
ESTIMATES OF STATE REVENUE 1968-69  
(In millions)

<i>Taxes, fees, etc.</i>	<i>Original *</i>	<i>Revised</i>	<i>Changes</i>	
			<i>Amount</i>	<i>Percent</i>
Alcoholic beverage -----	\$121.4	\$118.8	-\$2.6	-2.1
Bank and corporation ----	547.1	594.0	46.9	8.6
Cigarette -----	237.9	242.0	4.1	1.7
Horse racing -----	61.6	60.2	-1.4	-2.3
Inheritance and gift ----	146.9	153.3	6.4	4.3
Insurance -----	126.6	128.0	1.4	1.1
Motor Vehicle:				
Fuel -----	591.6	609.7	18.1	3.1
License (in lieu) ----	204.0	216.7	12.7	6.2
Registration, weight, etc. -----	245.6	249.3	3.7	1.5
Transportation -----	20.6	22.0	1.4	6.5
Personal income -----	975.9	1,075.0	99.1	10.2
Private car -----	3.7	3.9	0.2	4.5
Sales and use -----	1,574.5	1,620.0	45.5	2.9
Total Taxes -----	\$4,857.4	\$5,092.9	\$235.5	4.8
Other revenue -----	229.9	280.2	50.3	21.9
Total Revenue -----	\$5,087.3	\$5,373.1	\$285.8	5.6
<i>General Fund</i> -----	3,823.7	4,068.1	244.4	6.4
<i>Special funds</i> -----	1,263.6	1,305.0	41.4	3.3

\* Adjusted for legislation enacted at the 1968 regular and special sessions.

## Economic Conditions

The revenue estimates presented in this budget are based on the following assumptions:

No significant change in expenditures for Vietnam is expected in 1969.

The tax surcharge will be extended for one year at a 10 percent rate. Also, some version of expenditure limitation similar to that in the 1968 Revenue and Expenditure Control Act will be enacted.

Both monetary and fiscal authorities in the federal government will assign increasing priority to price stability and equilibrium in the balance of payments, even at the cost of somewhat higher unemployment.

## Gross National Product

Gross national product for the current year is forecast at \$916 billion, up \$55.3 billion (6.4%) from last year's level. The anticipated quarterly pattern assumes a reduction in the rate of growth through the third quarter, followed by a pickup in the fourth quarter. The slowing will result from the delayed effects of federal fiscal restraint and the lagged impact of tightened monetary policy.

Personal consumption expenditures are projected at \$563.4 billion, a gain of \$29.7 billion (5.6%) over last year. This is considerably smaller both absolutely and relatively than the 1968 increase of \$41.5 billion (8.4%). Half of this slowdown will be in durable goods purchases which will rise only 4.6 percent compared to last year's unusually large 11.4 percent growth. Nondurable goods are also expected to show a smaller growth. Services will account for over half the gain in consumer spending.

Producers' durable equipment will add \$4.7 billion of the \$8.8 billion increment in private investment. Recent surveys of business intentions have been in accord with this anticipation, even though capacity utilization was low throughout 1968. The rising prices of labor and capital goods in a generally inflationary climate are the investment stimuli. Residential construction will continue the recovery from 1966, but at a more moderate pace with over half of the 8 percent increase in higher prices. A greater building recovery is unlikely because of the expected monetary stringency.

Growth in government purchases is expected to be held down by spending limitations at the federal level. Federal expenditures will rise only \$6.5 billion compared to an expected increase in state and local spending of \$10.4 billion.

## Employment, Income, and Prices

The moderate gain in gross national product is reflected in the unemployment rate, personal income, corporate profits, and prices. Employment of just under 76.9 million in a civilian labor force of 80.0 million leaves over 3.1 million unemployed—a 3.9 percent unemployment rate. This is an increase over last year's 3.6 percent rate, and while it is the highest rate since 1965, it still remains within the generally accepted "full employment" range.

Wages and salaries of \$495.6 billion will be up \$32.2 billion. Personal taxes of \$112 billion subtracted from the \$730.4 billion personal income will leave disposable income at \$618.4 billion. Deducting personal outlays of \$578.7 billion leaves personal savings at \$39.7 billion, a savings rate of 6.4 percent.

Corporate profits of \$91.8 billion after inventory valuation adjustment will be up only 3.3 percent due to the relative slowdown of business activity.

Consumer prices will increase less than in 1968, but still at an uncomfortably rapid rate. The consumer price index is forecast at 125.7, up 3.7 percent over last year compared to the 4.2 percent gain in 1968. The wholesale price index is estimated at 110.8, a 2.1 percent rise in line with the average gain of the last four years.

## California Outlook

California's population is projected at 20,115,000 by July 1, 1969, an increase of 333,000 (1.7%) from mid-1968. A slight upturn is anticipated in both natural increase and net migration. The state's economy like the nation's will continue to expand, although growth will be at a slower pace than last year. Construction, trade, finance, and services are expected to be among the stronger sectors.



The civilian labor force is estimated at 8,330,000, a gain of 245,000. Civilian employment is projected at 7,930,000, up 210,000 or 2.7 percent. Unemployment will rise moderately to 4.8 percent of the labor force from 4.5 percent in 1968.

**Table 3**  
**ECONOMIC DATA**  
(Dollar amounts in billions)

<i>National Data</i>	1967 actual	1968 preliminary	1969 estimated	1969 percent change
Gross national product	\$789.7	\$860.7	\$916.0	6.4
Consumer expenditures	492.2	533.7	563.4	5.6
Durable goods	72.6	82.5	86.3	4.6
Nondurables	215.8	230.2	239.1	3.9
Services	203.8	221.0	238.0	7.7
Private investment	114.3	127.5	136.3	6.9
Fixed investment	108.2	120.0	128.7	7.2
Residential	24.6	30.0	32.4	8.0
Other	27.9	29.2	30.8	5.5
Producers' durable equipment	55.7	60.8	65.5	7.7
Change in inventories	6.1	7.6	7.6	—
Net exports	4.8	2.4	2.3	-4.2
Government purchases	178.4	197.1	214.0	8.6
Federal	90.6	100.0	106.5	6.5
Defense	72.4	78.9	82.0	3.9
Other	18.2	21.1	24.5	16.1
State and local	87.8	97.1	107.5	10.7
Personal income	628.8	685.8	730.4	6.5
Less personal taxes:	82.5	96.7	112.0	15.8
Federal	67.3	79.3	92.4	16.5
State and local	15.2	17.4	19.6	12.6
Disposable income	546.3	589.1	618.4	5.0
Savings	40.2	40.5	39.7	-2.0
Corporate profits before taxes and inventory valuation adjustment	80.4	88.9	91.8	3.3
Consumer price index	116.3	121.2	125.7	3.7
Wholesale price index	106.1	108.5	110.8	2.1
Index of industrial production	158.0	164.5	170.4	3.6
Civilian labor force (000)	77,347	78,750	80,000	1.6
Employed (000)	74,372	75,920	76,880	1.3
Unemployment rate	3.8	3.6	3.9	
<i>California Data</i>				
Personal income	\$70.2	\$76.1	\$81.5	7.1
Wages and salaries	47.7	51.8	55.6	7.4
Other labor income	2.5	2.8	3.2	13.0
Proprietors' income	6.2	6.3	6.4	1.6
Property income	10.0	11.0	11.9	9.3
Transfer payments	6.3	7.0	7.7	9.1
Less: Personal contributions for social insurance	2.5	2.8	3.3	15.1
Personal taxes:	7.6	9.3	10.6	14.0
Federal income tax	7.0	8.2	9.5	15.9
State income tax	0.6	1.1	1.1	1.4
Disposable income <sup>a</sup>	62.6	66.8	70.9	6.1
Taxable corporate profits	6.5	7.3	7.6	4.5
Civilian labor force (000)	7,833	8,085	8,330	3.0
Employed (000)	7,444	7,720	7,930	2.7
Unemployed (000)	389	365	400	9.6
Unemployment rate	5.0	4.5	4.8	
Number of building permits	110,618	155,000	165,000	6.5
New car sales (000)	811.0	945.0	900.0	-4.8
Taxable sales	\$35.1	\$39.0	\$41.0	5.1
Consumer price index <sup>b</sup>	118.0	123.2	127.8	3.7

<sup>a</sup> Disposable income of California residents represents personal income less federal and state personal income taxes. Other personal tax and nontax payments have not been deducted.

<sup>b</sup> Index for California is computed by the California Department of Industrial Relations, Division of Labor Statistics and Research.

SOURCE: National data for 1967 and 1968 from reports of the U.S. Department of Commerce; estimates of national data for 1969, estimates of California personal income, personal taxes, disposable income, etc., are based upon studies by the Financial and Population Research Section, Budget Division, California Department of Finance.

NOTE: Totals may not add due to rounding. Percentages have been computed from unrounded data.

Employment gains are being held down by the general slowing in the rate of economic growth in California. Total manufacturing employment should average 1,705,000, an increase of 26,000 from 1968. Employment in aerospace will stay near 1968 levels, as spending for Vietnam, research and development, NASA programs, and commercial civilian projects continues at present levels. Major job gains are projected for services, trade, and government. The rise in the latter will be due primarily to expansion in the local sector, as state and federal employment show little change for the year. Construction employment will total 364,000, a gain of 10,000, with further improvement in the level of building activity. The number of new housing units authorized during 1969 is expected to reach 165,000. Only agricultural employment, among the major sectors, is likely to decline during the year.

Personal income of California residents is forecast at \$81.5 billion, 7.1 percent above the \$76.1 billion estimated for 1968. Strong growth will take place in all categories except proprietors' income, as wage and salary payments rise by 7.4 percent, other labor income by 13.0 percent, property income by 9.3 percent, and transfer payments by 9.1 percent. Higher contributions for social insurance, up 15.1 percent during the year, offset wage and salary gains to some extent.

## GENERAL FUND REVENUE

Three-fourths of aggregate state revenue is deposited in the General Fund. This includes collections from such levies as those on sales of tangible personal property, personal income, corporate profits, and insurance premiums. For the most part, these taxes are geared directly to business conditions. Hence, the estimates of revenue from each source flow directly from the economic assumptions outlined above. The influence of these economic factors upon the various tax bases and the methods used in preparing the budget revenue estimates are summarized in the following material.

### Sales Tax—\$1,730,000,000

A 4 percent tax is imposed upon the sale or use of tangible personal property for final consumption, whether by persons or by business. An additional 1 percent tax is collected by the state for cities and counties, but the latter is not state revenue and is not included in the budget totals.

Taxable sales in 1968 are estimated at \$39 billion, up 11 percent from 1967, the largest percentage gain since 1959. The increase occurred despite the imposition of the federal surtax in July 1968. Consumers did not lower their purchases as anticipated because of the tax increase, but reduced their savings from 7.4 percent of disposable income in 1967 to 6.9 percent in 1968.

Some of the more important factors contributing to the 1968 sales record were: an 8.4 percent increase in personal income, a 16.5 percent gain in new cars sold, and a 40 percent jump in residential building permits.

The business outlook for 1969, as summarized above, calls for a slowdown in the rate of growth through the third quarter and a recovery starting in the fourth



quarter and continuing into 1970. It is anticipated that the surtax plus higher social security taxes will become increasingly effective in slowing consumer purchases. The number of automobiles sold is expected to decline in 1969, but higher prices plus increased purchases of more optional equipment will keep the value of sales near last year's level. The tight money situation is expected to restrain recovery in residential construction this year.

Three different methods were used to estimate taxable sales. One was based upon detailed analyses of per capita sales for over 40 different types of business. This was done both in constant dollars and in current dollars. The second method involved classifying taxable sales data into 15 homogeneous groups and relating each group to an appropriate economic factor, such as disposable income, new vehicle sales, or employment. The third method involved the use of multiple regression analysis. Total taxable sales in constant dollars were related to disposable income in constant dollars, new vehicle sales, wage and salary workers in manufacturing and construction, and the savings rate. Taxable sales estimates were also obtained for the homogeneous groups by use of this method.

The final estimates of taxable sales for 1969 and 1970 shown below were based upon the results of the above methods.

Table 4  
ESTIMATED TAXABLE SALES IN CALIFORNIA  
(In millions)

Group	1968	1969	Percent change	1970	Percent change
Retail stores	\$18,050	\$19,150	6.1	\$20,300	6.0
Autos and parts	6,700	6,650	-0.7	7,000	5.3
Building materials	4,035	4,300	6.6	4,800	11.6
Manufacturing and wholesaling	8,880	9,525	7.3	10,200	7.1
Business and personal services	1,335	1,375	3.0	1,400	1.8
Total	\$39,000	\$41,000	5.1	\$43,700	6.6

Sales and use tax receipts, including revenue attributable to audit activities of the Board of Equalization, are estimated at \$1,730,000,000 in 1969-70 and \$1,620,000,000 in 1968-69. Actual collections during 1967-68 totaled \$1,464,927,000. The state sales tax rate was increased from 3 to 4 percent effective August 1, 1967, therefore collection data for 1967-68 are not comparable with other years.

### Personal Income Tax—\$1,223,000,000

Income tax receipts during the current and budget years will be determined largely by the amount of personal income received in 1968 and 1969. In general, 60 percent of the tax is attributable to wages and salaries, 17 percent to proprietorship profits, and 12 percent to net receipts from ownership of property (dividends, interest and rent). The remaining 11 percent is generated by capital gains and miscellaneous income. These percentages fluctuate from year to year in response to changes in the total amount of income received from each source, as well as to changes in the distribution of that income among the income brackets.

Because of the progressive tax rate structure, the volume of tax receipts is particularly sensitive to changes in the distribution of income. In 1967, an

unexpectedly sharp increase in taxpayers with incomes over \$15,000 resulted in greater-than-estimated revenue in 1967-68. The following table shows the distribution of adjusted gross income on taxable returns for 1965 through 1967:

Adjusted gross income	Percentage distribution of number of taxable returns and their adjusted gross income					
	1965 <sup>a</sup>		1966 <sup>a</sup>		1967 <sup>b</sup>	
	No.	Income	No.	Income	No.	Income
Under \$10,000	58.5	37.6	55.7	34.7	52.7	31.4
\$10,000-14,999	27.9	30.3	29.5	31.9	29.8	30.9
15,000-24,999	9.8	16.3	11.1	18.1	13.3	20.9
25,000-49,999	3.0	9.0	2.9	8.7	3.3	9.5
50,000-99,999	0.6	3.7	0.6	3.7	0.7	4.1
100,000 and over	0.2	3.1	0.2	2.9	0.2	3.2
Total	100.0	100.0	100.0	100.0	100.0	100.0
\$15,000 and over	13.6	32.1	14.8	33.4	17.5	37.7
25,000 and over	3.8	15.8	3.7	15.3	4.2	16.8
50,000 and over	0.8	6.8	0.8	6.6	0.9	7.3

<sup>a</sup> Data for 1965 and 1966 have been adjusted to the 1967 law.

<sup>b</sup> Preliminary.

Income from the various sources is distributed differently among income brackets and is thus subject to different average tax rates. In 1967, 4 percent of all taxpayers had adjusted gross income of \$25,000 or more. This group paid 25 percent of the tax attributable to wages and salaries, but they paid 72 percent of the tax from property income, 75 percent of the tax from proprietorships, and 88 percent of the tax from capital gains. These variations are illustrated in the following table:

Adjusted gross income	Percent of tax attributable to each type of income by income class, 1967			
	Wages and salaries	Proprietors' income	Property income	Capital gains
Under \$10,000	18.3	3.0	5.5	1.4
\$10,000-14,999	27.6	6.4	7.0	2.9
15,000-24,999	29.1	15.2	15.1	8.2
25,000-49,999	14.9	36.8	25.9	17.5
50,000-99,999	6.4	27.1	21.1	17.4
100,000 and over	3.7	11.5	25.4	52.6
Totals	100.0	100.0	100.0	100.0

Since each type of income is distributed differently, the tax attributable to each is estimated separately. For estimates of tax attributable to wages and salaries and to interest income, equations were computed relating each tax to its personal income component. Taxes from proprietorships, dividends, rent, and miscellaneous sources (primarily annuities, alimony, and income from the sale of noncapital assets) were estimated by relating them to past trends. Tax attributable to capital gains was estimated from an equation using the value and turnover of stocks listed on the New York Stock Exchange.

The property tax relief program enacted in 1968 will reduce the property tax paid by homeowners and will aid renters by doubling the income tax standard deduction. Other income tax law changes authorized doctors, lawyers and dentists to form professional corporations; allowed a deduction for adoption expenses; broadened the political contributions deduction; and conformed to the federal provisions for reporting annuity income. The combined effect of these changes is estimated to reduce income tax revenue by \$45,000,000 in 1968-69 and \$38,500,000 in 1969-70.

After adding estimated receipts from the Franchise Tax Board's audit activities and adjusting to a fiscal



year basis, total revenue is estimated at \$1,223,000,000 in 1969-70 and \$1,075,000,000 in 1968-69. Revenue received in 1967-68 totaled \$952,487,000. The estimate for 1969-70 has not been reduced by the \$100 million income tax reduction proposed by Governor Reagan.

### Bank and Corporation Tax—\$539,000,000

Corporate income attributable to California operations during 1968 and 1969 is the base for bank and corporation tax receipts in the current and budget years.

Income for 1968 has been estimated from the results of a stratified sample of 1,000 corporations, more than 90 percent of which responded to the questionnaire. This sample indicated taxable corporate income of \$7.3 billion, 11.4 percent above the 1967 level. This is slightly less than the 12 percent increase indicated for the nation. In a year when corporate profits rise rapidly, the gain in California is typically lower than the increase for the nation. Estimated California corporate income by major industry group for 1967 and 1968 is shown in the following table:

Table 5  
TAXABLE CORPORATE INCOME IN CALIFORNIA  
(In millions)

Industry	1967	1968	Percent change
Agriculture	\$81	\$89	9.9
Mining and oil production	247	334	35.2
Construction	174	185	6.3
Manufacturing	2,574	2,934	14.0
Trade	1,153	1,268	10.0
Service	422	458	8.5
Financials subject to bank tax	476	528	10.9
Real estate and other financials	401	389	-3.0
Utilities	994	1,081	8.8
Other	3	4	33.3
Totals	\$6,525	\$7,270	11.4

Two methods were used to estimate California corporate income for 1969. One was an analysis of the ratios of California to United States corporate profits in the post-war period. The second method estimated major industry components using the economic outlook and other information for these industries for the state and the nation. Results from the two methods were reconciled to arrive at an estimate of \$7.6 billion, an increase of 4.5 percent from the 1968 level. This is somewhat more than the 2.6 percent gain estimated for the nation and results in a slight increase in the ratio of California to United States corporate profits. Such an increase is typical of years in which the national growth in profits is modest.

Under the tax program enacted in 1967, the tax rate on corporate income was raised from 5.5 percent to 7 percent beginning with income earned in 1967. The same legislation provided for a second estimated tax payment 10 months and 15 days after the start of the income year to bring tax payments more current with earnings and meet the revenue requirements of the state. Another feature provided that beginning in June of 1970, the first estimated tax payment will be reduced from 50 percent to 30 percent, a drop in the second prepayments from 25 percent to 20 percent is also provided but will not affect revenues in this period. The change in estimated tax payments will reduce receipts in 1969-70 by \$57 million.

Total revenue is estimated at \$539,000,000 for 1969-70 and \$594,000,000 for 1968-69. Collections in

1967-68 amounted to \$576,874,000. The revenues for these three years are not comparable because of the law changes enacted in 1967 which affected receipts in all three years differently.

### Cigarette Tax—\$242,000,000

Under the impact of a two-stage tax increase effective in the latter part of 1967, cigarette consumption fell from 136.6 packs per person in 1966 to 129.2 packs in 1967. This is a 5.4 percent decline which only partially reflects the much sharper drop that occurred immediately after the tax increase became effective.

For 1968, the first full year under the new rate, per capita cigarette consumption is estimated at 124 packs and is projected at 123 and 121 packs for 1969 and 1970, respectively. The increase in population during these years offsets the decline in per capita consumption. Application of the 10 cent tax rate with a discount of 0.85 percent and other adjustments is expected to yield \$242,000,000 for both 1968-69 and 1969-70.

The allocation of total revenue between the General Fund and a special fund appears in the following table:

	1967-68 <sup>a</sup>	1968-69	1969-70
Total	\$219,272	\$242,000	\$242,000
General Fund	158,523	169,400	169,400
Special fund	60,744	72,600	72,600

<sup>a</sup> Includes a tax on floor stocks.

### Inheritance and Gift Taxes—\$171,000,000

Inheritance and gift tax collections in the current and budget years will increase substantially, partly because of the larger tax base, but principally because of the tax adjustments enacted in 1967.

Revenue from the inheritance and gift taxes is dependent primarily upon the number and size of bequests and upon the relationship of the recipient to the decedent or donor. In general, tax rates increase with the size of the inheritance or gift and with the remoteness of the relationship. Exemptions are reduced as the relationship recedes.

The estimate of inheritance tax revenue is based primarily on the Standard and Poor's stock index, weighted by the estimated pattern of the time lag between deaths and tax payments. Receipts from this source have been estimated at \$156,500,000 in 1969-70 and at \$140,000,000 for the current year. Actual receipts in 1967-68 amounted to \$125,732,000.

The gift tax is based on a relationship between the tax and the unweighted Standard and Poor's index. The tax for 1969-70 is estimated at \$14,500,000, against \$13,300,000 in the current year and actual receipts of \$9,823,000 in 1967-68.

### Insurance Tax—\$137,000,000

This tax is imposed on premiums written in California and is in lieu of all other state and local taxes except those on real estate and motor vehicles. In general, the tax is imposed at a 2.35 percent rate. Ocean marine and certain other types of insurance and annuities are subject to different rates.

In the past, insurers were permitted to deduct from their insurance tax liabilities the entire amount of



local property taxes paid on their principal offices in California. However, this provision was revised with the passage of a ballot proposition in 1966. Under the current law, a foreign insurer (one not domiciled in California) may deduct only part of the property tax based on that portion of the building actually occupied by the insurer. A California insurer may continue to deduct from this tax the entire property tax on a principal office structure now owned, a building acquired for this purpose before January 1, 1970, or one on which construction is started before that date, regardless of the space occupied.

Estimates of premiums written during 1968 and 1969 were based on the replies to a questionnaire sent to a sample of 75 insurers who account for over 60 percent of all taxable insurance written in this state. These companies estimated both the change in the volume of total premiums they write and the change in each major line of insurance. The estimate of premiums for 1970 is based on an analysis of past trends. After subtracting dividends paid to policyholders and the principal office deduction, the insurance tax is forecast at \$137,000,000 in 1969-70, compared with \$128,000,000 for the current year and actual receipts of \$121,155,000 in 1967-68.

### Alcoholic Beverages—\$123,950,000

Alcoholic beverage revenue falls into two categories: flat rate excises upon distributions of beer, wine and distilled spirits, and fees derived from the issuance and renewal of licenses required for the manufacture and sale of alcoholic beverages.

Consumption of distilled spirits rose from 3.52 gallons per adult in 1967 to 3.60 gallons in 1968, and is expected to reach 3.66 in 1969 and 3.73 gallons in 1970. Beer consumption per adult in 1968 rose to 27.3 gallons from a level of 26.5 gallons in 1967. The 1967 consumption was reduced somewhat due to a shortage resulting from a brewery strike. Consumption for 1969 and 1970 is estimated at 27.7 and 28.2 gallons, respectively. Consumption of dry and sparkling wine is estimated to increase in both 1969 and 1970, although at a lower rate than last year. Consumption of sweet wine in California is expected to continue its long-term decline.

Total distributions of alcoholic beverages by type are shown below:

	Millions of Gallons			
	1967	1968	1969	1970
Distilled spirits	40.3	42.1	43.8	45.7
Beer	303.5	319.6	331.8	346.0
Sweet wine	15.0	14.5	14.2	13.9
Dry wine	26.1	31.6	33.6	35.8
Sparkling wine	2.2	2.4	2.7	2.9

Revenue from liquor license fees are divided between the General Fund and the Alcohol Beverage Control Fund. The General Fund receives all fees for new licenses, service charges, fees to enforce fair trade regulations and, under legislation enacted in 1967, all fees incident to the transfer of existing licenses. In addition, 10 percent of all other fees (primarily annual renewals) is transferred to the General Fund with the remainder deposited in the Alcohol Beverage Control Fund for apportionment to cities and counties. Estimated collections of revenue attributable to alcoholic beverages for the years under consideration in this budget are shown below.

Table 6  
ALCOHOLIC BEVERAGE TAXES AND FEES  
(In thousands)

Excise taxes	1967-68	1968-69	1969-70
Distilled spirits	\$81,700	\$86,500	\$90,000
Beer		12,910	13,630
Sweet wine	13,196 <sup>a</sup>	280	280
Dry wine		340	350
Sparkling wine		770	840
Totals, Excise Taxes	\$94,896	\$100,800	\$105,100
Liquor license fees	15,736	18,015	18,850
Totals, Taxes and Fees	\$110,632	\$118,815	\$123,950
General Fund	99,050	106,800	111,350
Alcohol Beverage Control Fund	11,583	12,015	12,600

<sup>a</sup> Cannot be separated due to credits and adjustments.

### Horse Racing—\$62,965,000

State revenue from horse racing comes mainly from the tax on parimutuel betting. This tax is graduated from 5 percent of the first \$10 million in the parimutuel pool of each meet to 8 percent of amounts over \$125 million. Other items include "breakage" (the odd cents not paid to winning ticketholders), unclaimed parimutuel winnings, license fees, fines and penalties.

The Horse Racing Act of 1967 repealed the county basis for allotment of racing days based on the 1940 Census and substituted a new extended schedule using racing weeks. In addition, it authorized night racing and, except for the two major tracks, it set aside the state's share of the breakage on the first \$50,000,000 handled to supplement purses.

Harness and quarter horse meets in 1969 are generally scheduled to be run at night, while thoroughbred and fair meets will be run during the day. An additional four weeks of thoroughbred racing, which has been granted to the new Oak Tree Racing Association, will increase collections by an estimated \$1.4 million. Santa Anita and Hollywood Park, however, will continue to account for more than half of total collections. Wagering at Santa Anita is expected to increase substantially over 1968 which was depressed because of labor trouble. A small increase is projected for Hollywood Park this year.

The aggregate of parimutuel pools at all tracks in 1969-70 is estimated at \$843,400,000, compared to \$806,800,000 in the current fiscal year and \$730,903,000 in 1967-68. Total receipts from horse racing and the final distribution of this money among the various funds is shown in Table 7. After appropriations for support of fairs, agricultural associations, and other items, the residual in the Fair and Exposition Fund is transferred to the General Fund.

Table 7  
SOURCES AND DISTRIBUTION  
HORSE RACING REVENUE  
(In thousands)

Sources	1967-68	1968-69	1969-70
Tax on parimutuel pools	\$49,552	\$54,800	\$57,000
Breakage	4,836	4,800	5,220
Unclaimed parimutuel tickets	298	500	525
Licenses, fines, and penalties	113	116	220
Totals	\$54,799	\$60,216	\$62,965
Distribution:			
General Fund	46,103	50,725	53,814
Fair and Exposition Fund	7,946	8,402	8,401
Wildlife Restoration Fund	750	750	750
California Exposition Bonds	-	339	-



### **Private Car Tax—\$4,100,000**

Railroad cars owned by companies other than railroads are taxed by the state rather than by the various local governments. Assessed valuations are determined by the State Board of Equalization and the statewide property tax rate during the preceding fiscal year is applied against the assessment roll.

Based upon assessments of \$43,421,000 and a rate of \$8.90 per \$100 of assessed value, current year collections will total \$3,865,000. Actual collections in 1967-68 were \$2,932,000. Legislation adopted in 1967 repealed the property tax on solvent credits which resulted in an increase of approximately \$1 in the tax rate applicable to private cars. Collections for 1969-70 are estimated at \$4,100,000.

### **Nontax Receipts—\$184,430,000**

Miscellaneous receipts for the General Fund will total \$184,430,000 in the budget year, an increase of \$17,400,000 from the corresponding figure for the current period and \$63,948,000 from 1967-68. Miscellaneous revenue is made up of 5 categories: medical aid reimbursements—\$58.7 million; interest income—\$45.6 million; pay patients and county board charges at hospitals and correctional schools—\$30.9 million; traffic penalties—\$14.1 million; and all other—primarily charges for certain services to business and individuals and sales of property—\$35.1 million.

Receipts from the Health Care Deposit Fund increased more than \$30 million in 1968-69 due to the extension of Medi-Cal to mentally retarded persons over 18. Principal amounts making up the total are shown in Schedule 2.

## **SPECIAL FUND REVENUE**

Provisions of the State Constitution, codes and statutes restrict the use of certain revenue for specified purposes, and these receipts are separately accounted in various special funds. In general, they comprise three categories of income: (1) receipts from broad tax levies which are allocated to specified functions; (2) charges for special services to specific groups; and (3) rentals, royalties and other receipts earmarked for particular purposes. Motor vehicle taxes and fees illustrate the first of these classes. License fees for the regulation of business and professions are typical of the second. Oil and gas royalties, now assigned primarily to capital outlay for public higher education and water development, are examples of the third. Interest received by the investment of special fund money is deposited in the fund for which the investments are held.

Motor vehicle taxes and fees account for more than five-sixths of all special fund revenue. Principal sources of this income are the motor vehicle fuel taxes, registration and weight fees, vehicle license fees, and the transportation tax. During the 1969-70 fiscal year, \$1,148,000,000 will be derived from the ownership or operation of motor vehicles. Approximately \$508.4 million of this revenue will be returned to local governments. The remainder will be available for various activities related to state highways and services to vehicle owners.

Thirty percent of the cigarette tax revenue is now deposited in a special fund for distribution to the cities and counties. In 1969-70, receipts for this fund are estimated to be \$72.6 million.

Charges for special services to industry, business and the professions, together with hunting, fishing and liquor licenses and other regulatory fees, will amount to \$59.9 million in 1969-70. Rents, royalties and other miscellaneous receipts are estimated to total \$51.7 million. Interest from investments held for the various special funds is projected at \$18.9 million.

### **Motor Vehicle Fuel Taxes—\$637,200,000**

The forecast of revenue from motor vehicle fuel taxes is based upon projected consumption of gasoline, diesel fuel and liquefied petroleum gas on public roads. Factors in the gasoline tax estimate include total vehicle registrations, both fee-paid and exempt, and average gasoline consumption per vehicle. Total registrations are expected to reach 12,700,000 in 1968 and 13,186,000 in 1969. Gasoline consumption per vehicle during 1968 rose as a result of the combined effects of larger engines, anti-smog devices, and the use of more air conditioners and other power equipment. Gasoline consumption for the current fiscal year is estimated at 647 gallons per vehicle and 650 gallons in 1969-70. Application of the 7¢ tax rate will yield \$600,000,000 in the budget year and \$575,000,000 in the current year, compared with \$546,836,000 received in 1967-68.

Consumption of diesel fuel and liquefied petroleum gas is estimated by projecting the trend of past collections with adjustments for changes in the economic outlook. Receipts from these two fuels are expected to total \$37,200,000 for 1969-70, as compared with \$34,700,000 for the current year and actual 1967-68 collections of \$33,651,000. The 1968-69 and 1969-70 estimates reflect the 1968 reduction of the diesel tax rate from 7¢ to 1¢ per gallon for local bus lines.

### **Motor Vehicle Fees—\$486,800,000**

Registration, weight and vehicle license fees contribute the bulk of revenue from this source, with various fees incidental to vehicle operation making up the balance. Sales of new autos, trucks, trailers, and motorcycles during 1968 are estimated at 1.28 million, a record high for each vehicle type. Sales during 1969 are expected to decline; however, an upturn is projected for 1970 which will approach the record set in 1968. After allowing for scrapage and for vehicles entering and leaving the state, total fee-paid vehicles at yearend are estimated at 12,530,000 in 1968, 13,000,000 in 1969, and 13,470,000 in 1970. Based upon these estimates, registration and weight fees will total \$237,200,000 in the budget year. Adding drivers' license fees and other revenues will bring the total to \$259,000,000. This represents an increase of \$9.7 million over the estimated sum for the current fiscal year and \$21.5 million over actual receipts during 1967-68.

The vehicle license fee is imposed for the privilege of operating a vehicle upon the public highways and is in lieu of local property taxes. The number of vehicles, original market value, and age distributions are the significant determinants of vehicle license fee revenue. New car values are increasing and the trend



is expected to continue. Average renewal fees to be paid in 1969 will rise substantially because of the exceptionally large increase in new vehicles sold in 1968. Since new vehicle sales in 1969 are expected to decline somewhat, the increase in average renewal fees in the following year will be moderate. This is the principal factor accounting for the smaller increase in revenue shown for 1969-70.

Total revenues from motor vehicle fees are shown in the following table:

	<i>(In millions)</i>		
	1967-68	1968-69	1969-70
Vehicle license fees -----	\$200.4	\$216.7	\$227.8
Registration and weight fees	220.0	230.7	237.2
Drivers' license fees -----	9.8	10.2	12.8
Other -----	7.7	8.4	9.0
Totals -----	\$437.9	\$466.0	\$486.8

#### **Transportation Tax—\$24,000,000**

The transportation tax is imposed at the rate of 1.5 percent of the gross receipts from the operations of motor vehicles for hire outside of municipalities. An

analysis of trend indicates a level of \$24,000,000 for the budget year, and \$22,000,000 for the current year as compared with actual 1967-68 revenues of \$18,882,000.

#### **Other Special Fund Revenue—\$117,899,000**

For the most part, nontax revenue flowing to special funds represents regulatory fees on business and professions, charges for special services to designated groups and royalties from oil and gas production on state-owned land.

For the budget year, these revenues will total \$117,899,000, up from \$113,208,000 in the current year. Actual receipts in 1967-68 were \$135,642,000. The sharp decline in revenue in 1968-69 is attributable primarily to a reduction of oil and gas royalty revenue, lower receipts from the sale of property and the shifting of license fees received by the Insurance Commissioner to the General Fund. Details of these totals are shown in Schedule 2.

Table 8

## SUMMARY OF STATE POPULATION, INCOME OF CALIFORNIA RESIDENTS, AND STATE TAX COLLECTIONS

Excluding Departmental, Interest and Miscellaneous Revenue

Year	Estimated			Fiscal Year	State Tax Collections			Taxes per Capita			Taxes per \$100 of Personal Income		
	Population July 1st (Thousands)	Personal Income (Millions)	Income per Capita		General Fund (Thousands)	Special Funds (Thousands)	Total (Thousands)	General Fund	Special Funds	Total	General Fund	Special Funds	Total
CASH BASIS													
1950	10,643	\$19,744	\$1,855	1950-51	\$647,992	\$295,542	\$943,534	\$59.52	\$27.15	\$86.67	\$3.28	\$1.50	\$4.78
1951	11,130	22,756	2,045	1951-52	709,245	322,699	1,031,944	62.30	28.35	90.65	3.11	1.42	4.53
1952	11,638	25,214	2,167	1952-53	754,048	346,480	1,100,528	63.53	29.19	92.72	2.99	1.37	4.36
1953	12,101	27,002	2,231	1953-54	772,250	442,538	1,214,788	62.74	35.95	98.69	2.86	1.64	4.50
1954	12,517	27,682	2,212	1954-55	831,899	467,814	1,299,713	65.19	36.66	101.85	3.01	1.69	4.70
1955	13,004	30,378	2,336	1955-56	972,828	524,765	1,497,593	73.18	39.48	112.66	3.20	1.73	4.93
1956	13,581	33,177	2,443	1956-57	1,042,773	554,713	1,597,486	75.13	39.97	115.10	3.14	1.67	4.81
1957	14,177	35,497	2,504	1957-58	1,069,809	572,490	1,642,299	73.99	39.59	113.58	3.01	1.61	4.62
1958	14,741	37,361	2,534	1958-59	1,170,890	594,587	1,765,477	77.98	39.60	117.58	3.13	1.59	4.72
1959	15,288	41,010	2,682	1959-60	1,443,296	633,492	2,076,788	92.66	40.67	133.33	3.52	1.54	5.06
1960	15,863	42,980	2,709	1960-61	1,537,347	656,815	2,194,162	95.14	40.65	135.79	3.58	1.53	5.11
1961	16,453	45,678	2,777	1961-62	1,645,300	669,267	2,314,567	98.24	39.96	138.20	3.60	1.47	5.07
1962	17,044	49,051	2,878	1962-63	1,791,038	711,185	2,502,223	103.19	40.97	144.16	3.65	1.45	5.10
1963	17,670	52,615	2,978	1963-64	2,057,962	813,937	2,871,900	114.71	45.37	160.08	3.91	1.55	5.46
1964	18,209	56,570	3,107	1964-65	2,161,157	931,958	3,093,115	117.02	50.46	167.48	3.82	1.65	5.47
1965	18,726	60,234	3,217	1965-66	2,398,958	971,625	3,370,582	126.73	51.33	178.06	3.98	1.61	5.60
1966	19,132	65,208	3,408	1966-67	2,422,275	993,277	3,415,552	125.47	51.45	176.93	3.71	1.52	5.24
ACCRUAL BASIS													
1966	19,132	65,208	3,408	1966-67	2,746,888	1,091,387	3,838,275	142.29	56.53	198.82	4.21	1.67	5.89
1967	19,478	70,204	3,604	1967-68	3,557,610	1,118,311	4,675,921	181.23	56.97	238.20	5.07	1.59	6.66
1968	19,782	76,100†	3,877	1968-69	3,901,090	1,191,806	5,092,896	195.56	59.75	255.31	5.13	1.57	6.69
1969	20,115	81,500†	4,052	1969-70	4,138,664	1,242,351	5,381,015	203.92	61.21	265.13	5.08	1.52	6.60

† Estimated.

Population estimated by the State Department of Finance.

Personal income, 1950 through 1967, from estimates by the Office of Business Economics, United States Department of Commerce. Data for

1968 and 1969 are estimates by the State Department of Finance.

Income per capita computed from population and income data shown.

Amounts differ somewhat from U.S. Department of Commerce estimates.

Taxes per capita computed on the basis of population January 1st, the midpoint of the fiscal year.

NOTE: Data are shown for 1966-67 on both bases in order to facilitate long-term comparisons.

Table 9

## COMPARATIVE YIELD OF STATE TAXES, 1950-51 THROUGH 1969-70

(In Thousands)

Year Ending June 30	Sales and Use	Personal Income	Bank and Corporation <sup>1</sup>	Cigarette	Inheritance and Gift	Insurance	Distilled Spirits	Horse Racing	Liquor License Fees	Beer and Wine	Private Car	Motor Vehicle Fuel <sup>2</sup>	Motor Vehicle Fees <sup>3</sup>	Transportation Tax
<b>CASH BASIS</b>														
1951	\$399,243	\$75,891	\$98,245	-	\$23,671	\$23,447	\$16,094	\$16,368	\$8,106	\$3,796	\$891	\$149,907	\$117,680	\$10,194
1952	417,693	90,914	120,127	-	29,165	25,732	14,430	20,042	7,828	3,730	1,089	162,076	127,809	11,312
1953	460,110	94,551	119,127	-	23,474	29,171	15,615	20,960	8,687	4,069	1,127	170,871	139,406	13,359
1954	465,051	96,169	125,026	-	24,112	34,325	15,546	22,512	8,586	3,989	1,222	234,395	170,519	13,337
1955	492,917	106,738	133,661	-	30,250	33,501	16,108	22,838	9,213	4,172	1,301	244,588	185,505	13,921
1956	564,225	127,816	157,088	-	36,334	39,104	33,970	24,891	9,638	4,373	1,330	273,086	209,817	15,921
1957	600,102	143,290	167,431	-	38,540	42,529	34,902	26,695	10,616	4,361	1,424	291,364	219,266	16,965
1958	605,238	149,269	173,599	-	45,331	46,037	33,963	25,948	11,297	4,595	1,590	302,671	227,153	15,609
1959	631,514	160,553	174,003	-	44,943	105,832	36,685	28,087	11,962	5,129	1,712	317,709	236,177	11,171
1960	709,648	246,585	240,735	\$64,805	47,189	61,530	40,369	36,288	12,379	10,016	1,613	336,786	256,303	12,543
1961	711,702	269,103	272,718	66,024	76,803	66,745	41,274	37,260	13,044	9,704	1,668	350,801	264,842	12,475
1962	749,523	299,034	290,870	66,054	76,012	71,699	45,418	38,311	13,533	10,495	1,753	363,771	274,906	13,187
1963	813,465	322,012	311,251	70,194	92,432	77,970	48,152	41,603	13,939	10,659	1,808	386,215	298,356	14,106
1964	876,944	392,341	405,431	71,822	102,195	107,200	50,145	43,442	14,274	11,299	1,846	450,195	329,584	15,183
1965	939,649	410,109	416,247	74,477	114,464	95,199	53,915	47,560	14,596	12,422	2,017	542,822	353,607	16,030
1966	1,096,162	454,625	435,597	74,578	123,781	100,854	56,718	47,443	14,878	12,606	2,205	551,108	382,656	17,373
1967	1,053,249	500,086	453,292	75,597	114,413	107,186	59,564	49,311	14,954	13,751	2,477	548,287	405,061	18,323
<b>ACCRUAL BASIS</b>														
1967	1,190,750	626,697	453,292	78,191	141,899	131,226	64,733	49,311	14,954	14,964	2,477	643,698	405,061	21,023
1968	1,464,927	952,487	576,874	219,272	135,554	121,155	81,700	54,799	15,736	13,196	2,932	580,487	437,918	18,832
1969†	1,620,000	1,075,000	594,000	242,000	153,300	128,000	86,500	60,216	18,015	14,300	3,865	609,700	466,000	22,000
1970†	1,730,000	1,223,000	539,000	242,000	171,000	137,000	90,000	62,965	18,850	15,100	4,100	637,200	486,800	24,000

<sup>1</sup> Includes the corporation income tax.<sup>2</sup> Includes motor vehicle fuel tax (gasoline), use fuel tax (diesel and liquefied petroleum gas).<sup>3</sup> Comprises registration and weight fees, motor vehicle license fees (in lieu) and other fees.

† Estimated.

NOTE: Data are shown for 1966-67 on both bases in order to facilitate long term comparisons.



Table 10

## OUTLINE OF STATE TAX SYSTEM AS OF JANUARY 1, 1969

Major Taxes and Fees	Reference		Base or Measure	Rate	Administering Agency	Fund
	Code	Sections				
Alcoholic Beverage Excises :						
Beer-----	R & T (1)	32151(a)	Gallon	\$0.04	Equalization (2)	General
Distilled spirits-----	R & T	32201(a)	Gallon	2.00	Equalization	General
Wine :						
Dry-----	R & T	32151(b)	Gallon	.01	Equalization	General
Sweet-----	R & T	32151(c)	Gallon	.02	Equalization	General
Sparkling-----	R & T	32151(d)	Gallon	.30	Equalization	General
Sparkling hard cider-----	R & T	32151(e)	Gallon	.02	Equalization	General
Bank and Corporation :						
General corporations-----	R & T	23151 23501 23181	Net income	7.0% (3)	Franchise (4)	General
Banks and financial corporations-----	R & T	23183	Net income	11.0% Max.	Franchise	General
Cigarette-----	R & T	30101	Package (5)	\$0.10 (5)	Equalization	Cigarette Tax Fund (6)
Gift-----	R & T	15206	Market value	3-24%	Controller	General
Horse Racing License-----	B & P (7)	19491	Amt. wagered Breakage	5-8% 0-100%	Horse Racing Board	Fair and Expo. (8), Wildlife Restoration and General
Inheritance-----	R & T	13404	Market value	3-24%	Controller	General
Insurance-----	R & T	12202	Gross premiums (9)	2.35% (9)	Insurance Comm.	General
Liquor License Fees-----	B & P	23320	Type of license	Various	Alcoholic Beverage Control Dept.	Alcohol Bev. (10) and General
Motor Vehicle :						
Vehicle license fees-----	R & T	10751	Market value	2-2.5%	Motor Veh. Dept.	Veh. Lic. Fee (11)
Fuel—gasoline-----	R & T	7351	Gallon	\$0.07	Equalization	Fuel (12)
Fuel diesel-----	R & T	8651	Gallon	.07	Equalization	Fuel
Registration fee-----	Vehicle	9250	Vehicle	11.00	Motor Veh. Dept.	Motor Veh. (13)
Weight fees-----	Vehicle	9400	Unladen weight	Various	Motor Veh. Dept.	Motor Veh.
Transportation-----	R & T	9651	Gross receipts	1½%	Equalization	Transp. Tax (14)
Personal Income-----	R & T	17041	Taxable income	1-10%	Franchise	General
Private (Railroad) Car-----	R & T	11401	Valuation	(15)	Equalization	General
Retail Sales and Use-----	R & T	6051 6201	Receipts from sales of taxable items	4%	Equalization	General

- (1) Revenue and Taxation Code.
- (2) State Board of Equalization.
- (3) Minimum tax \$100 per year, not applicable to banks.
- (4) Franchise Tax Board.
- (5) This tax is levied at the rate of 5 mills per cigarette.
- (6) 30 percent of the cigarette tax is remitted to local jurisdictions.
- (7) Business and Professions Code.
- (8) For support of county fairs and similar activities.
- (9) Ocean marine insurance is taxed at the rate of 5 percent of underwriting profit attributable to California business. A special rate also applies to certain types of insurance and annuities.
- (10) For return to cities and counties.
- (11) For payment of administrative costs and apportionment to counties, cities and school districts.
- (12) For administrative expense and apportionment to state, counties and cities for highways, airports and small craft harbors.
- (13) For support of State Department of Motor Vehicles, California Highway Patrol, and state highways.
- (14) For administrative expenses and state highways.
- (15) Average property tax rate in the state during preceding year.



# Expenditure Program 1969-70

## Change in Format

The expenditure program is presented in this volume in program format with full descriptions of each program. The expenditure and appropriation detail schedules (in traditional form) have been collected in a separate volume while the capital outlay schedules and various five-year construction programs and related information have been published in a third volume. Also budget supplements will be published for Salaries and Wages and for District, County, and Citrus Fruit Fairs.

## Program Synopsis

The expenditure program proposed in this budget has been designed to take care of the needs of our growing population and the additional costs of national inflation upon various State programs. The pro-

grams presented provide for necessary governmental services at the lowest possible cost. Expenditures are in balance with revenues anticipated from the current program.

Expenditures from governmental cost funds proposed during the 1969-70 fiscal year total \$1,721.8 million for support, \$3,635.4 million for local assistance, \$441.7 million for capital outlay, for a grand total of \$5,798.9 million, exclusive of \$426.7 million in bond funds. This increase in governmental cost funds of \$343.3 million over the revised estimated expenditures of \$5,455.6 million for the 1968-69 fiscal year includes \$105.5 million new funds for public school aid; \$85 million for Higher Education caused by increased enrollments at the University and state colleges; and \$129.7 million for Medi-Cal and social welfare categorical aids based upon caseload and cost.

Table 11  
EXPENDITURES BY CHARACTER AND SOURCE OF FUNDS

	(In thousands)				
	<i>Actual 1967-68</i>	<i>Estimated 1968-69</i>	<i>Proposed 1969-70</i>	<i>Change from 1968-69 Amount Percent</i>	
State Support:					
General Fund -----	\$1,109,228	\$1,275,925	\$1,345,933	\$70,008	5.5
Special Revenue Funds -----	286,310	330,508	375,901	45,393	13.7
Totals, Governmental Cost Funds -----	\$1,395,538	\$1,606,433	\$1,721,834	\$115,401	7.2
Bond Funds -----	(36)	(72)	(24)	(-48)	(-66.7)
Local Assistance:					
General Fund -----	\$2,146,332	\$2,640,239	\$2,998,161	\$357,922	13.6
Special Revenue Funds -----	570,366	556,534	637,258	80,724	14.5
Totals, Governmental Cost Funds -----	\$2,716,698	\$3,196,773	\$3,635,419	\$438,646	13.7
Bond Funds -----	(9,241)	(2,651)	(7,329)	(4,678)	(176.5)
Capital Outlay:					
General Fund -----	\$17,249	\$83,550	\$90,657	\$7,107	8.5
Special Revenue Funds -----	354,894	568,824	351,027	-217,797	-38.3
Totals, Governmental Cost Funds -----	\$372,143	\$652,374	\$441,684	-\$210,690	-32.3
Bond Funds -----	(520,513)	(527,929)	(419,342)	(-108,587)	(-20.6)
TOTALS					
General Fund -----	\$3,272,809	\$3,999,714	\$4,434,751	\$435,037	10.9
Special Revenue Funds -----	1,211,570	1,455,866	1,364,186	-91,680	-6.3
Totals, Governmental Cost Funds -----	\$4,484,379	\$5,455,580	\$5,798,937	\$343,357	6.3
Bond Funds -----	(529,790)	(530,652)	(426,695)	(-103,957)	(-19.6)

Expenditures from bond proceeds are shown for the purposes of complete reporting but they are not included in overall budget totals. As payments are made on principal and interest, such payments are reported as expenditures of the fiscal year in which they occur.

## Program Augmentations

The expenditure programs presented in this budget have been prepared on the basis of continuing exist-

ing programs at authorized levels of service including necessary workload increases but without provision for any substantive expansion of services. The format used will clearly differentiate as program augmentations all recommended expenditures for new programs and intensification or increase in services or other expansions. For your convenience the program augmentation expenditures have been summarized in Table 12 appearing on the following pages.

Table 12  
SUMMARY OF PROGRAM AUGMENTATIONS

1969-70

FUNCTION	EXPENDITURES BY FUND			
	General Fund	Special and other funds	Federal funds	Total funds
Education:				
State Support:				
Department of Education	\$50,000	-	-	\$50,000
Special Schools:				
School for the Blind	262,000	-	-	262,000
School for the Deaf	186,000	-	-	186,000
School for Neurologically Handicapped Children	25,000	-	-	25,000
State Teachers' Retirement System	175,000	\$174,000 <sup>a</sup>	-	349,000
Totals, State Support for Education	\$698,000	\$174,000	-	\$872,000
Higher Education:				
State Support:				
Coordinating Council for Higher Education	25,880	-	-	25,880
University of California	1,285,020	-	-	1,285,020
Hastings Law College	31,000	-	-	31,000
State College System	1,278,927	-	-	1,278,927
Maritime Academy	89,000	-	-	89,000
State Scholarship and Loan Commission	1,000,000	-	-	1,000,000
Totals, Higher Education	\$3,709,827	-	-	\$3,709,827
Health and Welfare:				
State Support:				
Department of Human Resources Development	569,915	-	\$7,879	577,794
Department of Social Welfare	126,500	-	178,926	305,426
Department of Public Health	834,821	-	-	834,821
Department of Mental Hygiene	3,569,890	-	135,000	3,704,890
Totals, State Support	\$5,101,126	-	\$321,805	\$5,422,931
Local Assistance:				
Medical Assistance Program	27,403	-	27,403	54,806
Department of Social Welfare	1,874,500	-	2,814,914	4,689,414
Fee Increase and Related Services Cost Increase	10,000,000	-	8,418,000	18,418,000
Totals, Local Assistance	\$11,901,903	-	\$11,260,317	\$23,162,220
Totals, Health and Welfare	\$17,003,029	-	\$11,582,122	\$28,585,151
Transportation:				
State Support:				
Department of California Highway Patrol	-	\$169,591	-	169,591
Corrections:				
State Support:				
Department of Corrections	234,000	-	-	234,000
Department of Youth Authority	45,388	-	-	45,388
Totals, State Support	\$279,388	-	-	\$279,388
Local Assistance:				
Department of Youth Authority	252,280	-	-	252,280
Totals, Corrections	\$531,668	-	-	\$531,668
Resources:				
State Support:				
Department of Parks and Recreation	494,859	-	-	494,859
Department of Conservation	453,873	-	-	453,873
State Lands Division	64,075	-	-	64,075
Department of Water Resources	400,000	-	-	400,000
State Water Resources Control Board	300,000	-	-	300,000
Department of Fish and Game	-	140,000	-	140,000
San Francisco Bay Conservation and Development	77,785	-	-	77,785
Special Resources Service and Studies—ICOR	50,000	-	50,000	100,000
Totals, Resources	\$1,840,592	\$140,000	\$50,000	\$2,030,592
Business and Commerce:				
State Support:				
Department of Agriculture	109,380	-	-	109,380
Department of Industrial Relations	82,308	-	-	82,308
Department of Professional and Vocational Standards:				
Board of Registration for Professional Engineers	-	15,000	-	15,000
Board of Pharmacy	-	25,942	-	25,942
Totals, Business and Commerce	\$191,688	\$40,942	-	\$232,630
Administration and Fiscal Management:				
State Support:				
Franchise Tax Board	24,000	-	-	24,000
Department of Finance	100,000	-	-	100,000
Secretary of State	30,000	-	-	30,000
Disaster Office	82,657	-	-	82,657
Totals, Administration and Fiscal Management	\$236,657	-	-	\$236,657

<sup>a</sup> Nongovernmental cost fund. Amount not included in overall budget totals.



**Table 12—Continued**  
**SUMMARY OF PROGRAM AUGMENTATIONS**  
**1969-70**

FUNCTION	EXPENDITURES BY FUND			
	General Fund	Special and other funds	Federal funds	Total funds
Other:				
State Support:				
Judicial Council	20,000	—	—	20,000
Department of Justice	1,670,458	346,308	—	2,016,766
Department of Veterans Affairs	407,345	—	—	407,345
Military Department	75,243	—	3,117	78,360
Totals, Other	\$2,173,046	\$346,308	\$3,117	\$2,522,471
Totals, Departmental Augmentations	\$26,384,507	\$870,841	\$11,635,239	\$38,890,587
School Apportionments:				
Department of Education	96,000,000	—	—	96,000,000
Compensatory Education	9,500,000	—	—	9,500,000
Totals, School Apportionments	\$105,500,000	—	—	\$105,500,000
Salary Increases:				
Augmentations for Salary Increases	58,041,430	33,339,255 <sup>b</sup>	—	91,380,685
<b>GRAND TOTALS</b>	<b>\$189,925,937</b>	<b>\$34,210,096</b>	<b>\$11,635,239</b>	<b>\$235,771,272</b>

<sup>b</sup> Includes \$12,472,950 from a nongovernmental cost fund. Amount not included in overall budget totals.

### Functional Analysis

The expenditure dollars on Chart II give a graphic picture of the relative magnitude of the resources to be expended by the state in each of these broad areas of activity. For ease in understanding, this same pattern is continued in the following discussion in detail of the expenditure functions. The expenditures by function have been consolidated in Table 13 below.

**Table 13**  
**Expenditures by Principal Function for 1969-70**  
**(Governmental Cost Funds Only)**  
**(In Millions)**

	Proposed 1969-70	Percent of Total	Change from 1968-69	
			Amount	Percent
Education	\$1,622.2	28.0	\$122.5	8.2
Higher Education	725.1	12.5	85.1	13.3
Health and Welfare	1,303.5	22.5	160.5	14.0
Property Tax Relief and Shared Revenues	829.5	14.3	73.8	9.8
Transportation	649.1	11.2	-153.7	-19.1
Corrections	170.7	2.9	22.6	15.3
Resources	130.7	2.3	6.5	5.2
Business and Commerce	107.9	1.9	4.5	4.4
Administration and Fiscal Management	79.6	1.3	0.9	1.1
Other	180.6	3.1	20.7	12.9
<b>Total</b>	<b>\$5,798.9</b>	<b>100.0</b>	<b>\$343.4</b>	<b>6.3</b>
Bond Act Program	(426.7)	100.0	(-104.0)	(-19.6)

### EDUCATION—\$1,622,290,000

In terms of dollars expended and benefits received by the citizens of California, education can be considered the single most important function of state support. As a result of the emphasis placed on education and because of increasing enrollments this part of the budget again constitutes the largest category of state expenditures. This category gains even greater significance when Higher Education is considered.

In 1969-70 California will again provide education for more public school children, college and graduate students, and professional school students than any other state. Of the total budget dollar 28 cents will be expended on education and 12.5 cents on Higher Education, and of each General Fund dollar 36.5 cents will be devoted to the support of education and 16 cents on Higher Education.

**Table 14**  
**Expenditures for Education**  
**(In Thousands)**

	1967-68 Actual	1968-69 Estimated	1969-70 Proposed	Change from Amount	1968-69 Percent
<b>State Support</b>					
Department of Education	\$5,272	\$7,904	\$8,552	\$648	8.2
Special schools	6,476	6,963	7,567	604	8.7
Division of Libraries	1,554	1,789	1,811	22	1.2
Vocational education	796	826	764	-62	-7.5
State Teachers' Retirement	1,107	871	1,212	341	39.2
Salary increase	—	—	1,030	1,030	—
<b>Totals, Support</b>	<b>\$15,205</b>	<b>\$18,353</b>	<b>\$20,936</b>	<b>\$2,583</b>	<b>14.1</b>
<b>Local Assistance</b>					
School support	\$1,271,933	\$1,286,449	\$1,395,569	\$109,120	8.5
Educational television	647	750	850	100	13.3
Educational reading program	7,650	16,000	16,000	—	—
Math improvement program	—	925	925	—	—
Compensatory education	8,887	11,000	11,000	—	—
Children's center	14,468	17,447	18,447	1,000	5.7
Teachers' retirement	61,500	71,500	79,000	7,500	10.5
Teachers of physically handicapped minors	126	150	150	—	—
Debt service	53,175	53,616	55,061	1,445	2.7
Free textbooks	19,145	21,002	21,396	394	1.9
Assistance to public libraries	800	1,200	1,200	—	—
Vocational education	918	1,080	1,350	250	23.1
Other	100	308	275	-33	-10.7
<b>Totals, Local Assistance</b>	<b>\$1,439,349</b>	<b>\$1,481,427</b>	<b>\$1,601,203</b>	<b>\$119,776</b>	<b>8.1</b>
<b>Capital Outlay</b>					
Special schools	\$80	\$39	\$151	\$112	287.2
<b>GRAND TOTALS</b>	<b>\$1,454,634</b>	<b>\$1,499,819</b>	<b>\$1,622,290</b>	<b>\$122,471</b>	<b>8.2</b>

### Department of Education

The Department of Education is responsible for the administration and general supervision of public education through the secondary level. The major functions of the department are: distribution of educational aid funds to school districts; selection, adoption and distribution of textbooks for the elementary grades; licensing of teachers; providing leadership for the improvement of instruction and curricula; and operation of five special schools for the physically handicapped. A significant program augmentation is provided for two of the five special schools to strengthen services for the multihandicapped child. The budget proposes \$186,000 in additional program for the School for the Deaf at Riverside, and an



augmentation of \$262,000 at the School for the Blind located in Berkeley. The State Library is a part of the department under the Division of Libraries. Reported as part of Higher Education is the Maritime Academy.

The department also acts as the administering agency in such federal-state cooperative programs as national defense education, distribution of surplus property and commodities, the Elementary and Secondary Education Act, and vocational education. Public Law 90-576 enacted in 1968 made extensive modifications to the Federal Vocational Educational Act of 1963 and substantially increased the authorized funding level.

#### *Local Assistance for Education*

Over 5 million students will be served by the public schools, including junior colleges, during the current year. This increase of 2.1 percent over the 1967-68 enrollment is estimated to require a state contribution of \$1,284 million in 1969-70. This amount does not include funds provided for automobile driver training and project-connected pupils related to the various water projects.

In addition to the present level of support, this budget provides an additional \$105.5 million for the K through 12 program. Although enabling legislation is required to shape the program, these funds are provided in the budget bill so as to help local school boards plan their budgets with the early knowledge that the Governor is supporting a major increase of this magnitude. It is planned that this assistance will provide the following program:

1. \$76.5 million for increasing the basic and foundation programs with sufficient flexibility to assist those districts with the most serious and immediate problems.

2. \$3.5 million to restore the mentally gifted program to its previous level of support.

3. \$16 million for equalization aid now being withheld from school districts receiving federal funds for impaction caused by federal installations. At present the state counts 25 percent of such funds as available local resources; however, recent federal regulations regarding Public Law 874 will no longer permit this. The state must now provide the 25 percent or the districts will lose the entire federal grant.

4. \$9.5 million to extend the state's compensatory education program that by statute expires the 91st day following the 1969 regular session.

The 1969-70 budget includes \$16 million for the Special Elementary School Reading Instruction Program, \$925,000 for the experimental Mathematics Improvement Program, \$150,000 for grants to teachers of physically handicapped minors, and \$850,000 to reimburse districts for instructional television costs. The latter program anticipates a \$100,000 increase over 1968-69.

The increased level of \$1.2 million for assistance to public libraries budgeted in 1968-69 is continued in 1969-70. In addition over \$4 million is anticipated in federal grants to improve the school library resources of the state.

An appropriation of \$18.4 million is proposed for the operation of the Children's Center Program. This

continues the \$2.8 million augmentation to the 1968-69 program made by Chapter 1373, Statutes of 1968, which initiated a construction program of \$1 million. Another \$1 million increase is included to meet the anticipated workload increase in operations.

Over \$21 million is provided to furnish textbooks including over \$6 million for new books in mathematics which are being selected.

Debt service on public school building bonds will increase to over \$98 million in 1969-70, of which \$55 million will be paid by the General Fund. Since the inception of this program in 1947 over 55,000 classrooms have been provided for nearly 2 million students.

#### *Teachers' Retirement System*

The General Fund will contribute \$79 million in 1969-70 for the major share of benefits for approximately 39,000 retired teachers. This mandatory increase compares with \$71.5 million in 1968-69 and \$61.5 million in 1967-68. It should be noted that General Fund contributions to this system will continue to rise at a rapid rate because teacher contributions do not keep pace with the cost of benefits.

Significant increases are also proposed for administration of the system including 33.5 new positions for workload and 46 new positions for accelerated verification of prior member service. The bulk of the positions are proposed for a limited term to alleviate past deficiencies and to provide staff during the conversion from annual to monthly reporting from school districts.

#### **HIGHER EDUCATION—\$725,060,000**

California's system of publicly supported higher education consists of (1) public junior colleges which are locally controlled, tuition free, and jointly supported by the local school districts and the state, (2) multipurpose 4-to-5-year liberal arts state colleges, and (3) a state university offering advanced graduate and professional education programs, as well as a full program of undergraduate instruction. To coordinate the formulation of state program and policies in this area, the Legislature established the Coordinating Council for Higher Education in 1961. This advisory agency, representing public and private higher education and the general public makes recommendations to the Governor and the Legislature on levels of state support for the three segments, and the proper distribution of functions among the segments.

#### *University of California*

The total expenditure program of the University for support is over \$919 million, of which about \$407 million is not reported in budget totals as these funds are under the exclusive control of the Regents and are composed primarily of federal money for contracts and grants. Included in the budget from state and University funds is a total of over \$512 million in expenditures in 1969-70, an increase of \$35.5 million over 1968-69.

To maintain its status as a recognized center of teaching and research activities, \$331.6 million in state funds will be required in 1969-70 for current operations, including an estimated \$15.4 million for salary



increases. In addition, \$37.4 million will be required in capital outlay to meet future student enrollments. This reflects provision for an estimated 101,481 students (full-time equivalent) on the University's nine campuses, an increase of 4,880, or 5.1 percent, over the current year.

Also included in the state fund amount is a program augmentation of \$1.3 million. The principal augmentation to the budget for the University of California is for the Urban Crisis Program; \$600,000 is provided to fund essential research and public service in the areas of employment, health education and on the physical and social environment of our large metropolitan areas. The University will seek supplemental financial assistance from foundations and other nonstate sources. The Organized Research Program will be augmented \$300,000 to fund research in drug abuse, in development of instrumentation to predict earthquakes, and in increasing knowledge of soil and bioclimatological characteristics of the west side of the San Joaquin Valley which will have increasing importance with the completion of the California Aqueduct. The research capability of the Lick Observatory will be increased by expansion of graduate study to include astrophysics and millimeter wave research. Other augmentations include continued development of the management information system of the University and further development of automated library systems to meet demands for more intense use of the library.

## State Colleges

The primary function of the state colleges is the provision of instruction for undergraduate students and graduate students through the master's degree in the liberal arts and sciences, applied fields, and in the professions, including the teaching profession. This program is offered to California residents as well as out-of-state students and foreign students. In addition, the state college system conducts an international program comprising 12 campuses in eight foreign countries. State college students are enrolled in this program for a period not to exceed one year.

The individual colleges each with a geographic, curricula, and academic character of its own, offer basic programs in liberal arts. Beyond this, each college provides individualized academic opportunities to the student population of the state.

The California State College System, long recognized as one of the most rapidly growing institutions of higher education in the nation, again is taking an enormous enrollment increase into its system for 1969-70. Enrollment growth over the past few years has ranged anywhere from 8,000 to 12,000 full-time equivalent students. In the year ahead the system is girding for an increase in excess of 19,000 full-time equivalent students over the number expected in the year 1968-69.

Several factors have contributed to this dramatic change: First, the retention rate of students is considerably higher than it has been in the past; second, there has been a marked increase in transfers from the community colleges; third, students are generally carrying heavier unit loads; fourth, there is a general rise in the number of first-year students; and fifth, the number of graduate students has increased beyond expectations. Individually, each of these factors could be absorbed with little difficulty; collectively, these factors have created a record-shattering increase that will tax the creativity and ingenuity of faculty and administrators alike if these students are to benefit from their experience in the state college system.

The expenditure program for the system is approximately \$284 million of which just slightly over \$282 million is directly related to the vastly increased workload while the balance is for program augmentations. For the purposes of this budget, "workload" is generally considered to be student oriented and formula generated and includes adjustments for price and merit salary awards. Where no formula exists, such as in the plant operations function, workload is justified on an individual basis.

The program augmentation provides additional support in four general areas: instruction; instructional administration; faculty recruitment and retention; and general administration of the system.

In fiscal year 1969-70 the budget reflects a continuation of the moratorium on the conversion of semester system to quarter system, year-round operations on the grounds that economies, heretofore alleged to be inherent in the plan, have, based on a restudy of the plan, failed to materialize. Accordingly, no funds are included in this budget for proliferation of the plan—

Table 15  
Expenditures for Higher Education  
(In Thousands)

	1967-68 Actual	1968-69 Estimated	1969-70 Proposed	Change from Amount	1968-69 Percent
<b>State Support</b>					
Coordinating Council for Higher Education	\$513	\$571	\$551	-\$20	-3.5
University of California -----	244,029	291,272	316,233	24,961	8.6
Salary Increases --	-	-	15,402	15,402	-
<b>Totals, University</b>	<b>\$244,029</b>	<b>\$291,272</b>	<b>\$331,635</b>	<b>\$40,363</b>	<b>13.9</b>
Hastings College of the Law -----	665	810	1,030	220	27.2
State Colleges -----	192,944	241,835	278,029	36,194	15
Salary Increases --	-	-	13,148	13,148	-
<b>Totals, State Col- leges -----</b>	<b>\$192,944</b>	<b>\$241,835</b>	<b>\$291,177</b>	<b>\$49,342</b>	<b>20.4</b>
Maritime Academy --	623	712	804	92	12.9
Board of Governors of the California Com- munity Colleges --	4	609	756	147	24.1
Scholarship Commission -----	5,346	8,839	13,925	5,086	57.5
Salary Increases --	-	-	884	884	-
<b>Totals, State Support -----</b>	<b>\$444,124</b>	<b>\$544,648</b>	<b>\$640,762</b>	<b>\$96,114</b>	<b>17.6</b>
<b>Local Assistance</b>					
Assistance to New Junior Colleges --	1,775	4,304	2,000	-2,304	-53.5
<b>Capital Outlay</b>					
University of California -----	2,300	44,615	37,365	-7,250	-16.3
Bond Act Program --	(55,663)	-	-	-	-
State Colleges -----	1,778	46,270	44,664	-1,606	-3.6
Bond Act Program --	(66,064)	(73,547)	-	(-73,547)	(-100.0)
Community Colleges Program -----	(23,986)	(17,235)	(29,159)	(11,924)	(69.2)
Maritime Academy --	2	104	269	165	158.7
<b>Totals, Capital Out- lay -----</b>	<b>\$4,080</b>	<b>\$90,989</b>	<b>\$82,298</b>	<b>-\$8,691</b>	<b>-9.6</b>
Bond Act Program --	(145,713)	(90,782)	(29,159)	(-61,623)	(-67.9)
<b>GRAND TOTALS -----</b>	<b>\$449,979</b>	<b>\$639,941</b>	<b>\$725,060</b>	<b>\$85,119</b>	<b>13.3</b>
Bond Act Program --	(145,713)	(90,782)	(29,159)	(-61,623)	(-67.9)



only the continuation at those campuses where conversion has taken place. We are continuing to study both the fiscal and educational aspects of the plan for year-round operations.

#### Hastings College of the Law

Expenditures for Hastings College will be slightly in excess of \$1 million in the budget year, an increase of approximately \$200,000. This increase reflects completion of the new law school addition and the resultant ability to relieve overcrowding and to accommodate additional students.

#### Maritime Academy

The Maritime Academy program provides education in the maritime sciences. Program augmentation provides for curriculum enrichment as well as an increase in the fuel allocation for the training ship.

#### Board of Governors of the Community Colleges

Chapter 1549, Statutes of 1967, created the Board of Governors of the Community Colleges to provide leadership and limited administrative services for the 89 community colleges throughout the state. Substantial staff augmentation is provided by this budget to meet the growing needs of the local community colleges for administrative services which the state can furnish. A substantial portion of the state's participation in the community colleges program also is reported as a part of the public school support program. This amount is estimated at \$94 million for the budget year.

#### Scholarship Commission

An important part of the higher education program of the state is the group of programs administered by the Scholarship Commission. The \$13.9 million program assists students in both independent and public two- and four-year colleges. Assistance is at both the undergraduate and graduate level. The budget proposes implementation of the College Opportunity Grant Program with an augmentation of \$1 million for as many as a 1,000 subsistence grants to be awarded to economically disadvantaged students who display potential for academic success.

### HEALTH AND WELFARE—\$1,303,500,000

When ranked in terms of relative levels of expenditure the Health and Welfare programs are the second principal category.

In this category are grouped all those activities directed toward the treatment of disease and physical disabilities, and the rehabilitation of the individual leading to his restoration to society as a productive member.

Federal, state and local agencies cooperate fully in this program. The state agencies participating are the Departments of Mental Hygiene, Public Health, Social Welfare, Rehabilitation, Health Care Services and Human Resources Development. The level of state participation is reported in Table 16.

**Table 16**  
**Expenditures for Health and Welfare**  
**(In Thousands)**

	1967-68 Actual	1968-69 Estimated	1969-70 Proposed	Change from Amount	1968-69 Percent
<b>State Support</b>					
Department of Human Resources Development	\$1,429	\$9,152	\$9,661	\$509	5.6
Department of Mental Hygiene	192,086	206,657	117,642	-89,015	-43.1
Department of Public Health	11,804	12,142	12,988	846	7
Department of Rehabilitation	7,327	4,521	4,161	-360	-8
Department of Social Welfare	13,503	15,899	16,867	968	6
Other	112	312	461	149	47.8
Salary Increases	-	-	8,410	8,410	100
<b>Totals, State Support</b>	<b>\$226,261</b>	<b>\$248,683</b>	<b>\$170,190</b>	<b>-\$78,493</b>	<b>-31.6</b>
<b>Local Assistance</b>					
Medical Assistance					
Program	\$208,087	\$336,000	\$383,396	\$47,396	14.1
Medical Fees and Related Services	-	-	10,000	10,000	100
Mental Health Services	24,666	30,625	147,465	116,840	381.5
Public Health:					
Crippled Children	9,598	11,654	15,322	3,668	31.5
Tuberculosis subsidies	2,204	2,500	2,537	37	1.5
Aid to counties without health departments	557	645	660	15	2.3
Local health departments	4,606	4,701	4,743	42	0.9
Alcoholism programs	150	-	-	-	-
Physically handicapped children	2,364	2,794	-	-2,794	-100
Assistance to local agencies for local retardation services	1,513	2,292	4,897	2,605	113.7
Hospital construction	16,999	19,284	-	-19,284	-100
<b>Totals, Public Health</b>	<b>\$37,991</b>	<b>\$43,870</b>	<b>\$28,159</b>	<b>-\$15,711</b>	<b>-35.8</b>
<b>Social Welfare</b>					
Aid to the blind	\$7,793	\$8,365	\$8,874	\$509	6.1
Aid to the disabled	75,135	89,992	102,965	12,973	14.4
Aid to families with dependent children	157,893	198,609	255,758	57,149	28.8
Old age security	152,862	163,451	173,099	9,648	5.9
Special social services programs	15,096	17,327	19,033	1,706	9.8
Unmet sheltered needs	-	1,500	1,500	-	-
Work incentive program	-	441	731	290	65.8
<b>Total Social Welfare</b>	<b>\$408,779</b>	<b>\$479,685</b>	<b>\$561,960</b>	<b>\$82,275</b>	<b>17.2</b>
<b>Total Local Assistance</b>	<b>\$679,523</b>	<b>\$890,180</b>	<b>\$1,130,980</b>	<b>\$240,800</b>	
<b>Capital Outlay</b>					
Mental Hygiene	\$2,352	\$4,266	\$2,560	-\$1,706	-40
Bond Act Program	(1,646)	(4,315)	-	(-4,315)	(-100.0)
Rehabilitation	-5	2	-	-2	-100
Human resources development	-209	-171	-211	-40	-23.4
<b>Totals, Capital Outlay</b>	<b>\$2,188</b>	<b>\$4,097</b>	<b>\$2,349</b>	<b>-\$1,748</b>	<b>-42.7</b>
<b>Bond Act Program</b>	<b>(1,646)</b>	<b>(4,315)</b>	<b>-</b>	<b>(-4,315)</b>	<b>(-100.0)</b>
<b>GRAND TOTALS</b>	<b>\$907,922</b>	<b>\$1,142,960</b>	<b>\$1,303,519</b>	<b>\$160,559</b>	<b>14</b>
<b>Bond Act Program</b>	<b>(1,646)</b>	<b>(4,315)</b>	<b>-</b>	<b>(-4,315)</b>	<b>(-100.0)</b>

#### Mental Health

Admissions to the hospitals for the mentally ill continue to increase. The 1969-70 estimate of 33,946 admissions to the hospitals for the mentally ill is an increase of 661 (2 percent) over the 1968-69 revised estimate.

Although the admissions are increasing the population in the hospitals for the mentally ill continues to decline at a rapid rate. From an all-time year-end high of nearly 36,800 mentally ill patients



on June 30, 1959, it is estimated that the number of patients will decline to 15,220 on June 30, 1970. This reduction of almost 21,600 (58.6 percent) in a span of 11 years is primarily attributable to: (1) the establishment and growth of community mental health programs (Short-Doyle); (2) development and increased use of tranquilizing drugs; (3) retention of the treatment staff as the population declined providing a more effective staff-to-patient ratio; and (4) alternative methods of care through other programs.

The budget reflects the decision to close Modesto State Hospital. With the dramatic decline in patient population, more than enough empty space exists at the remaining hospitals for the mentally ill to accommodate the 1,250 patients from Modesto. The closure will create a more efficient system while patient care will be substantially improved. Savings are estimated at \$1.1 million in 1969-70 and a full-year savings will amount to almost \$3.5 million. It is proposed to utilize these savings to increase the level of care and treatment of all patients.

Seven hundred and eighty-five treatment positions have been added in the budget in order to implement the first of five phases to obtain the staffing standards for nursing recommended by the California Commission on Staffing Standards in 1967.

The population in the hospitals for the mentally retarded will decrease to 12,587 in 1969-70. This represents a decrease of 271 (2.1 percent) from the previous fiscal year. This is due in part to limiting the inflow of patients to increase the space per patient to the newer standard of 70 square feet.

The Neuropsychiatric Institutes at the University of California at Los Angeles and at the University of California Medical School in San Francisco provide facilities for research and training in the prevention and treatment of mental illness and mental retardation. The inpatient facilities for the major mental retardation addition to the Neuropsychiatric Institute, U.C.L.A., is scheduled for operation in the spring of 1969.

Assistance to local communities in the development of mental health programs under the California Community Mental Health Program has assumed a major role in reducing the population in the hospitals for the mentally ill. The 1969-70 Budget provides for the implementation of the Lanterman-Petris-Short Act as revised in the 1968 Legislative Session. In 1969-70 an additional \$23.3 million in state funds will be required and is provided in this budget to finance mental health services provided by the local programs in the community. Under the provisions of the new law, state hospital costs for most mentally ill patients are incorporated in the community mental health program. In addition to the state-local cost sharing ratio changing from 75 percent state-25 percent local to 90 percent state-10 percent local, the participating jurisdictions for the first time will pay 10 percent of the cost of most of their mentally ill patients in the state hospitals.

#### *Medical Fees and Related Services*

All state agencies purchasing medical and related services have experienced rapidly increasing costs. In order to assure continuation of vital medical and related services, including board and care, we are

proposing rate adjustments totaling \$18.4 million for 1969-70. This total will require \$10 million in General Fund money and \$8.4 million of Federal funds. It is anticipated that adjustments will be made in several state programs for board and care rates; nursing home rates; dental fee schedules; and other services which are controlled by fee schedules.

#### *Medical Assistance Program*

The California Medical Assistance Program, established in accordance with 1965 legislation, and administered by the Department of Health Care Services, will provide medical benefits to an estimated 1,647,400 persons in 1968-69. It is estimated that 1,809,200 persons will be served in 1969-70 or 161,800 more than were served in 1968-69.

During 1968-69, expenditures for the medical assistance program amount to \$336 million from state funds. It is anticipated that \$383.4 million in state funds will be required in 1969-70, which represents an increase of \$47.4 million in state funds over the 1968-69 expenditures.

#### *Public Health*

The 1968 Budget Act expanded the existing program of two regional diagnostic and counseling centers for mental retardation to include four additional centers. The original two centers were established in San Francisco and Los Angeles. New centers are being located in San Diego, Sacramento, Fresno and San Jose. This program makes available care for the mentally retarded in the local community when care would otherwise have to be provided in a state hospital. Budget year expenditures are estimated at \$5 million for services to some 5,000 affected individuals.

The alcoholism program authorized by Chapter 319, Statutes of 1968, is scheduled for termination 61 days after the Regular Session of the 1969 Legislature. Funds for this period are contained in the workload section of the Department of Public Health's budget. At the 1969 Session of the Legislature, the Governor will request the introduction of legislation to provide for an alcoholism program when the existing program terminates. The program augmentation section of the budget contains \$467,931 for this purpose for the remainder of 1969-70.

The Department of Public Health has been designated as the single state department responsible for the administration of Comprehensive Health Planning Funds under Public Law 89-749. In 1968-69, a total of \$3.9 million will be received by the state under Section 314(d) of the Federal Law. A similar amount is anticipated for 1969-70.

#### *Department of Social Welfare*

Economic assistance plus an array of social services for the aged, the handicapped, dependant children, and the needy will require \$578.8 million from state funds during 1969-70, an increase of \$83.7 million over comparable expenditures in the current fiscal year. Population growth, cost-of-living increases prescribed by law, increases in average grants and changes in federal regulations are the principal causes of the higher costs.



During 1968-69, expenditures for public assistance programs are now estimated to be \$460.4 million from state sources, an increase of \$9.8 million over the limitation contained in the Budget Act of 1968.

Average monthly caseload for all assistance programs is expected to be approximately 1.5 million cases in the budget year or 120,000 more than this year. As a result of the enactment of 1968 legislation, the department is actively participating in the development and implementation of the Work Incentive Program (WIN) in conjunction with the Department of Employment, to assist recipients in job training and placement, so that they can move from welfare rolls to private employment as rapidly as possible.

#### *Department of Human Resources Development*

The Department of Human Resources Development was established by Chapter 1460, Statutes of 1968. This new department will be comprised of the existing Department of Employment, Service Center Program, State Office of Economic Opportunity and the California Commission on Aging. Chapter 1460 became effective on November 13, 1968, and is to be fully operative no later than January 1, 1970.

The Department of Human Resources Development was created to bring into a single state agency all of the job training and placement programs and funding aimed at getting the chronically unemployed and underemployed into the mainstream of American productivity. Organization of the department and implementation of the provisions of Chapter 1460 must of necessity proceed deliberately and be so phased that an effective organization and program is developed while simultaneously continuing the delivery of services in on-going programs. Consolidation of the individual existing agencies, which are to become a part of the new department, and absorption of their program responsibilities within the new department, currently is planned for July 1, 1969.

A separate, consolidated operating budget for the new department was not practical for fiscal year 1969-70 because of the program complexities, limited time available and the necessity of phasing the consolidation of the components in an orderly manner. However, the budgets for each of the existing agencies which will form the Department of Human Resources Development are displayed in proper sequence in program format and the resources available to the department are summarized.

The total of all program costs included in the Department of Human Resources Development will increase from \$809 million in 1968-69 to \$847 million in 1969-70. Included are increases of \$21.7 million in unemployment benefit payments and \$14.3 million in disability insurance benefit payments in the existing Department of Employment. (These increases are not funded from state reserves.)

Of significance in the programs of the new department is the Work Incentive (WIN) Program authorized by Chapter 1369, Statutes of 1968. This new program is designed to remove certain welfare recipients from the welfare rolls and place them in productive employment. It is estimated that 21,000 persons will be enrolled in this program during 1969-70.

Program augmentations are included for the Commission on Aging for the employment of retired persons on a part-time basis to assist in the development of programs for senior Californians; in the Office of Economic Opportunity for the state's share of day-care services at migrant farm centers; and in the Service Center Program to continue outreach activities currently financed by a federal grant which expires at the end of this fiscal year, and to replace jobs temporarily transferred to the Venice Service Center during 1968-69.

#### *Rehabilitation*

The budget of the Department of Rehabilitation shows continued expansion, primarily as a result of the increased availability of federal funds. In accordance with provisions of 1967 amendments to the Federal Vocational Rehabilitation Act, the federal share of California's rehabilitation program will be increased from 75 percent to 80 percent of the total cost in 1969-70, provided the state continues to maintain its effort (share) at the same level as expended in the 1968-69 year. This allows a minor reduction in overall General Fund support in the coming year, while a number of programs are providing additional services to those citizens in need of rehabilitation.

Through consolidation in the Department of Rehabilitation of certain funds appropriated in other state agencies, additional federal funds become available for programs conducted in cooperation with those state agencies, allowing General Fund savings in the 1968-69 year and a reduced General Fund appropriation proposed for 1969-70.

Provision is made within the department's programs for implementation of the Vocational Evaluation and Work Adjustment Act, Chapter 1376, Statutes of 1968. This act provides for diagnostic studies and appraisals of the needs of disadvantaged individuals to determine the nature of their handicaps to employment and for necessary vocational rehabilitation services.

#### **PROPERTY TAX RELIEF AND SHARED REVENUES—\$829,500,000**

This category is comprised of \$234.5 million which has been designated to reduce the tax burden of property owners and \$595 million in revenues from certain taxes which are distributed among the cities and counties. Expenditures for this function are reported in Table 17.

#### *Property Tax Relief*

Chapter 1, Statutes of 1968, First Extraordinary Session broadens the scope of the tax relief program. This budget has \$234.5 million earmarked to reduce the property tax burden. Of this total, \$183 million is for reduction of the homeowners' property tax, \$43 million is for a partial exemption of business inventories, and \$8.5 million is for lessening the taxes on the property of the elderly. The doubled standard deduction grants another \$45 million in tax relief primarily to renters.



Table 17

Expenditures for Property Tax Relief and Shared Revenues  
(In Thousands)

	1967-68 Actual	1968-69 Estimated	1969-70 Proposed	Change from Amount	1968-69 Percent
Property Tax Relief:					
Property Tax Relief...	-	\$179,300	\$226,019	\$46,719	26.1
Senior Citizens Property Tax Relief...	-	7,700	8,500	800	10.4
<b>Totals, Property Tax Relief</b>	-	\$187,000	\$234,519	\$47,519	25.4
Shared Revenue:					
Liquor license fees...	\$12,060	11,900	12,500	600	5.0
Motor vehicle license fees...	196,366	211,600	222,800	11,200	5.3
Cigarette tax fees...	45,814	70,510	72,600	2,090	3.0
Highway property tax rentals...	699	1,259	1,300	41	3.3
Cities and Counties Tideland Development:					
Apportionment of tideland revenue...	245	200	200	-	-
County Roads:					
Apportionment of motor vehicle fuel tax...	123,958	130,200	136,200	6,000	4.6
City Streets:					
Apportionment of motor vehicle fuel tax...	85,659	59,694	62,300	2,606	4.4
County Roads and City Streets:					
Apportionment of motor vehicle fuel tax...	79,723	83,300	87,100	3,800	4.6
<b>Totals, Shared Revenue</b>	\$544,524	\$568,663	\$595,000	\$26,337	4.6
<b>GRAND TOTALS</b>	\$544,524	\$755,663	\$829,519	\$73,856	9.8

## Shared Revenues

For reasons of economy and efficiency in administration, various taxes and fees listed in Table 17 are collected by the state and apportioned to local governments. The amount to be distributed in 1969-70 is expected to total \$595 million.

## TRANSPORTATION—\$649,100,000

Expenditures for the construction and maintenance of state highways, the enforcement of traffic regulations, the registration of motor vehicles, and licensing of drivers constitute the fifth largest category of expenditures. The departments providing these services are California Highway Patrol, Public Works, Motor Vehicles and Aeronautics. The expenditures for this function are reported in Table 18.

## Highways

The state highway budget is prepared under the direction of the State Highway Commission. In accordance with law, the highway budget, as adopted by the commission, must be submitted to the Legislature without modification by the Governor. It is included in this presentation to provide a comprehensive report of state expenditures.

The 1969-70 budget provides for a total expenditure of \$888 million of which \$838.9 million is for the state highway system, \$21.5 million is allocated to the toll bridge system, and \$21.8 million is for assistance to counties and cities for streets and roads, and \$6.5 million is allocated to the highway-railroad crossings program. Included in these total expenditures is \$425.9 million in federal aid subventions.

Table 18

Expenditures for Transportation  
(In Thousands)

	1967-68 Actual	1968-69 Estimated	1969-70 Proposed	Change from Amount	1968-69 Percent
State Support					
Department of Aeronautics	\$238	\$754	\$751	-\$3	-
Special Services and Studies	167	162	-	-162	-100.0
Department of California Highway Patrol	76,270	98,243	114,028	15,785	16.1
Vehicle Equipment	6	9	9	-	-
Safety Commission	6	9	9	-	-
Department of Motor Vehicles	53,604	61,169	64,670	3,501	5.7
Department of Public Works	93,459	98,644	102,496	3,852	3.9
Folsom Lake Bridge Authority	-	6	-	-6	-100.0
Salary Increases	-	-	14,654	14,654	-
<b>Totals, State Support</b>	\$223,744	\$258,987	\$296,608	\$37,621	14.5
Local Assistance					
Airport assistance	\$1,177	\$1,600	\$1,618	\$18	1.1
Local roads and highways	7,053	9,115	9,497	382	4.2
Grade crossing protection	5,426	6,540	6,540	-	-
Southern Rapid Transit District	1,626	1,160	-	-1,160	-100.0
San Francisco-Oakland southern crossing	-	1,140	2,450	1,310	114.9
<b>Totals, Local Assistance</b>	\$15,282	\$19,555	\$20,105	\$550	2.8
Capital Outlay					
Highway Patrol	\$658	\$1,861	\$1,846	-\$15	-0.8
Department of Motor Vehicles	1,618	9,323	4,981	-4,342	-46.6
Division of Highways	332,336	513,090	325,563	-187,527	-36.5
<b>Totals, Capital Outlay</b>	\$334,612	\$524,274	\$332,390	-\$191,884	-36.6
<b>GRAND TOTALS</b>	\$573,638	\$802,816	\$649,103	-\$153,713	-19.1

The highway system budget will finance the construction of 208.6 miles of multilane freeways and the widening of 16.5 miles of existing freeways; will construct 10.3 miles of multilane and 55.6 miles of two-lane expressways; and build 24.6 miles of two-lane conventional highways.

A total of \$9 million has been allocated for traffic safety improvement projects in order to reduce accident occurrence and accident severity on the California State Highway System. These projects provide for improvements at spot locations where accident concentrations occur. It is conservatively estimated that 4,800 fewer accidents will occur on state highways each year due to the safety projects which will be constructed during the first three years of this overall safety program.

## Highway Patrol

The California Highway Patrol support budget for 1969-70 of \$114 million includes \$83.3 million for traffic supervision and services on the state highway system, \$15.3 million for enforcement activities and accident prevention on the county road system, and \$14.1 for regulatory and inspection activities. These proposed expenditures reflect the amount necessary to keep up with the increases in vehicles and highway mileage in California.

The budget provides for a total of 6,130 uniformed personnel including 320 officers which are necessary for patrol activities on the Los Angeles City and San Diego City freeways. These freeways were formerly patrolled by the local police.



## Department of Motor Vehicles

Continuing increases in vehicle registrations and licensed drivers necessitate a 1969-70 fiscal year support budget for the Department of Motor Vehicles of \$64,669,768 which represents a 5.7 percent increase over estimated expenditures for the current year.

The budget also provides for two new programs which were authorized by the 1968 Legislature. These are the Identification Card program for persons who do not possess a California drivers license and the motor boat registration program which is conducted for the Department of Harbors and Watercraft.

## Department of Aeronautics

The Department of Aeronautics has the authority and responsibility to encourage, foster and assist in the development of aeronautics in the state, including the promotion of aviation facilities and safety.

Included in the budget for 1969-70 is \$450,000 for the continuation of the development of a comprehensive master airport plan for California, begun in the current budget year at a cost of \$460,000. Federal support has been anticipated at an amount of \$300,000 for each year. Also included is \$200,000 for the rental of a navigational system as authorized by Chapter 700, Statutes of 1968.

## CORRECTIONS—\$170,700,000

The Departments of Corrections and Youth Authority are charged with the responsibility for the confinement and rehabilitation of adult felons, nonfelon narcotic addicts, and juvenile offenders committed to them by the courts. The estimated need for meeting this responsibility is \$170.7 million for 1969-70. Of this amount \$150.5 million is required to operate state prisons, the rehabilitation center, and juvenile facilities. The balance of \$20.1 million is proposed to assist counties in programs in delinquency control and probation supervision and capital construction. Detail of expenditures are listed in Table 19.

Various programs are being operated by both departments to provide more effective rehabilitation and treatment programs in order to minimize the growth of institutional population.

The two departments will operate 26 institutions and 38 road and forestry camps during 1969-70.

## Department of Corrections

With an institution population of 28,965 and a parole population of 15,155 projected for 1969-70, additional means must be found to handle effectively the increased number of persons under the jurisdiction of the department. Included in this budget are programs which reflect the changing emphasis toward community-based correctional programs. These programs indicate the recognition of the needs of individual parolees to adjust to becoming useful members of society.

A program is currently being developed jointly by the department and the Adult Authority to modify the projected increase in institution population by reducing the average length of stay in institutions before release to parole.

**Table 19**  
**Expenditures for Youth and Adult Corrections**  
**(In Thousands)**

	1967-68 Actual	1968-69 Estimated	1969-70 Proposed	Change from Amount	1968-69 Percent
<b>State Support</b>					
Adult Facilities ----	\$82,399	\$90,770	\$95,305	\$4,535	5
Youth Facilities ----	39,245	43,900	47,775	3,875	8.8
Salary Increase ----	-	-	7,453	7,453	-
<b>Totals, State Support ----</b>	<b>\$121,644</b>	<b>\$134,670</b>	<b>\$150,533</b>	<b>\$15,863</b>	<b>11.8</b>
<b>Local Assistance</b>					
Construction of Juvenile Homes and Camps ----	687	474	1,289	815	171.9
Maintenance of Juvenile Homes and Camps ----	3,118	3,242	3,545	303	9.3
Control of Juveniles... County Delinquency Prevention Commissions ---	46	55	105	50	90.9
Special Probation Supervision Programs ----	15	25	229	204	816
Pilot Community Youth Center Programs ----	3,599	7,466	12,760	5,294	70.9
Construction of Border Check Stations ----	-	100	100	-	-
<b>Totals, Local Assistance ----</b>	<b>\$7,465</b>	<b>\$11,372</b>	<b>\$18,118</b>	<b>\$6,746</b>	<b>59.3</b>
<b>Capital Outlay</b>					
Youth Facilities ----	594	1,156	1,757	601	52
Bond Act Program (10,398)	(725)	(8,670)	(7,945)	(1,095.9)	
Adult Facilities ----	503	942	268	-674	-71.5
Bond Act Program (1,283)	(330)	-	(-330)	(-100)	
<b>Totals, Capital Outlay ----</b>	<b>\$1,097</b>	<b>\$2,098</b>	<b>\$2,025</b>	<b>-\$73</b>	<b>-3.5</b>
Bond Act Program (11,681)	(1,055)	(8,670)	(7,615)	(721.8)	
<b>GRAND TOTALS ---</b>	<b>\$130,206</b>	<b>\$148,140</b>	<b>\$170,676</b>	<b>\$22,536</b>	<b>15.2</b>
Bond Act Program (11,681)	(1,055)	(8,670)	(7,615)	(721.8)	

The "Work Unit" parole supervision program is being continued for approximately 5,200 parolees representing 38 percent of the parole population. These parolees are handled by parole agents with a reduced caseload to provide greater supervision and contact.

The Work Furlough program is being continued to permit selected inmates to work in private industry during the day and return to custody at night. This provides inmates with employment and resources when paroled, thus allowing a greater chance of parole success.

Two programs augmentations being proposed are a 50-bed Community Correctional Center in south central Los Angeles and a Community Service Trainee-Parole Aid program. The Community Correctional Center will operate in the same manner as the three existing centers to aid parolees encountering adjustment problems, serve as a temporary shelter for new parolees and house Work Furloughers. The Parole Aid program will employ low-income persons to work in the parole program as a link to the community, perform routine tasks, and ultimately train to enter the parole field.

## Department of the Youth Authority

The estimated population of Youth Authority institutions for the budget year is projected 5.9 percent above average daily population in the current year. Parole caseloads are estimated to decrease by 1.8 per-



cent. The increase in institutional average daily population is related to the following factors:

A major policy change will result in the eventual housing of almost all Youth Authority wards in Youth Authority facilities. Currently, approximately 680 wards are housed in the Department of Corrections' Deuel Vocational Institute and 300 wards in the Deuel Reception and Guidance Center. During the budget year, male wards in the Department of Corrections' Deuel Vocational Institute will be reduced to a June 30, 1970, resident population count of 198.

In order to accommodate this policy change, facilities which are either under construction or are already built will be occupied. Therefore, this budget anticipates the opening of the 400 bed Dewitt Nelson Youth Training Center on July 1, 1969; provides for full year cost of the occupancy of an additional 200 beds at the Karl Holton School for Boys which was activated effective January 1, 1969; and provides funds for the operation of the 400-bed Older Boys Reception Center which will be activated beginning May 1, 1970. The older boys reception center will receive and process those wards now processed at the Deuel Reception and Guidance Center. This institution is now under construction. In addition, this budget provides for full year costs of operation of the 100-bed reception center and clinic for girls at the Ventura School for Girls which was activated January 1, 1969.

The movement of Youth Authority wards out of the Department of Corrections is possible without necessitating the construction of additional bed capacity beyond those facilities now budgeted. This is possible primarily because of the success in treating larger numbers of offenders in the community by local agencies in lieu of commitment to state correctional facilities.

The program relating to community treatment appearing to have the most dramatic effect on Youth Authority population is probation subsidy. This program, in addition to other local assistance programs administered by the department and a number of socio-economic factors—such as high employment and the high draft rate—have resulted in a declining commitment rate of juvenile offenders to the Youth Authority.

In the budget year continuing emphasis is placed on the development and support of locally administered programs as well as community based programs administered by the Youth Authority. A local assistance program is proposed to encourage communities to initiate and develop delinquency prevention programs through matching state and federal grants. Under this program, state and local money would be used in the community to find new and better ways to handle problem youth and would divert youth being processed through the juvenile justice system to community agencies for treatment and care.

It is also proposed to expand state participation in the San Diego Border Check Station located at the San Ysidro border crossing. This is a cooperative program with the City of San Diego designed to control the flow of unescorted juveniles crossing the border into Mexico.

Continuation of the department's Community Treatment Project is proposed. Phase III of this

project will expand experimentation with techniques to treat juvenile offenders in the local community. Findings to date through Phase I and Phase II of this demonstration and experimental project have provided valuable data and have added significantly to the ability of state and local agencies to treat juvenile offenders in the community successfully in lieu of more costly confinement in state correctional facilities.

A major change related to the department's community treatment programs is the conversion of all of the existing parole community delinquency prevention control projects and the Stockton unit of the community treatment project to community parole centers. Three centers will be located in Los Angeles, one in Oakland and one in Stockton. This conversion will correct current overlapping of regular and special parole units. These community parole centers will provide improved services to cases released from the regular institution program as well as maintain services now provided to in-lieu and short term cases.

## RESOURCES—\$130,710,000

The conservation, development and utilization of California's various natural resources—forest, water, fish and game and related recreational uses—requires the seventh largest expenditure of funds. Table 20 lists the expenditures for this function.

### Conservation

The objective of the Department of Conservation is the protection, conservation, and development of California's forests, wildlands, watersheds, mineral deposits, and soil resources. These natural resource needs are fulfilled through programs of the Divisions of Forestry, Mines and Geology, Oil and Gas, and Soil Conservation. The department proposes to spend \$41.0 million in state funds, to administer these programs in 1969-70.

In the forest and watershed fire protection area, basic fire protection is provided to 38 million acres of California's prime forest, range, and watershed lands. Approximately 9.5 million acres of federal and local responsibility land is protected under contract with various counties and federal agencies. Fire protection is also furnished for many local government and federal agencies on a reimbursed basis. In addition, this highly mobile emergency force is often called upon to render assistance during times of natural disasters such as floods, tidal waves, and earthquakes. Included in this budget are funds to strengthen fire control effectiveness through the use of helicopters and helitack crews. Also proposed are a forestry career development plan and a feasibility study for automation of fire control dispatching functions.

In the geology and mineral resources area, essential information is provided for protection of the public from landslides, debris flows, land subsidence and uplift, earthquakes, fault movement, coastal and flood erosion, mudslides, and other geological hazards. Geologic maps are produced which delineate the most critical areas of geologic hazards adjacent to metropolitan areas. This is done in cooperation with local and municipal governments. California's mineral resources are investigated, explored, and mapped to assure a continuous and orderly development for Cali-



**Table 20**  
**Expenditures for Resources**  
**(In Thousands)**

	1967-68 Actual	1968-69 Estimated	1969-70 Proposed	Change from Amount	1968-69 Percent
<b>State Support</b>					
Conservation .....	\$37,502	\$40,472	\$41,063	591	1.5
State Lands Division .....	1,417	1,590	1,823	233	14.7
Fish and Game .....	13,128	14,857	16,228	1,371	9.2
Parks and Recreation .....	15,057	16,781	18,579	1,798	10.7
Water Resources .....	10,047	11,087	10,927	-160	-1.4
State Water Resources					
Board .....	3,681	2,986	3,042	56	1.9
Air Resources Board .....	495	1,937	1,916	-21	-1.1
Colorado River Board .....	260	276	290	14	5.1
Other .....	288	376	510	134	35.6
Salary Increase .....	-	-	4,885	4,885	-
<b>Totals, State Support</b>	<b>\$81,875</b>	<b>\$90,362</b>	<b>\$99,263</b>	<b>\$8,901</b>	<b>9.9</b>
<b>Local Assistance</b>					
Flood Control—De-					
partment of Water					
Resources .....	\$11,250	\$13,000	\$10,300	-\$2,700	-20.8
Beach Erosion Control	115	105	363	258	245.7
Assistance for sewage					
transportation					
facilities .....	1,777	-1,777	-	1,777	100
Grants for recreation*	(9,241)	(2,651)	(7,329)	(4,678)	(176.5)
Assistance to small					
craft harbors .....	919	3,908	3,719	-189	-4.8
Grants for soil con-					
servation .....	21	-	-	-	-
<b>Totals, Local Assis-</b>	<b>\$14,082</b>	<b>\$15,236</b>	<b>\$14,382</b>	<b>-\$854</b>	<b>-5.6</b>
<b>tance .....</b>	<b>(9,241)</b>	<b>(2,651)</b>	<b>(7,329)</b>	<b>(4,678)</b>	<b>(176.5)</b>
<b>Capital Outlay</b>					
Wildlife conservation .....	\$671	\$759	\$780	\$21	2.8
Bond Act Program .....	(119)	(1,953)	(1,182)	(-771)	(-39.5)
Fish and Game .....	1,163	2,237	3,192	955	42.7
Parks and Recreation .....	2,797	10,493	8,133	-2,360	-22.5
Bond Act Program .....	(13,724)	(44,644)	(4,520)	(-40,124)	(-89.9)
Water Resources .....	7,995	142	85	-57	-40.1
Water bond program .....	(345,097)	(380,630)	(372,812)	(-7,818)	(-2.1)
Flood control—Recla-					
mation Board .....	3,767	3,390	3,375	-15	-0.4
State Lands Division .....	1	51	-	-51	-100
Air Resources Board .....	-	-	250	250	-
Conservation .....	129	1,559	1,250	-309	-19.8
Bond Act Program .....	(1,841)	(292)	-	(-292)	(-100)
<b>Totals, Capital</b>	<b>\$16,523</b>	<b>\$18,631</b>	<b>\$17,065</b>	<b>-\$1,566</b>	<b>-8.4</b>
<b>  Outlay .....</b>	<b>(360,781)</b>	<b>(427,519)</b>	<b>(378,514)</b>	<b>(-49,005)</b>	<b>(-11.5)</b>
<b>GRAND TOTALS</b>	<b>\$112,480</b>	<b>\$124,229</b>	<b>\$130,710</b>	<b>\$6,481</b>	<b>5.2</b>
<b>  Bond Act Program .....</b>	<b>(370,022)</b>	<b>(430,170)</b>	<b>(385,843)</b>	<b>(-44,327)</b>	<b>(-10.3)</b>

\* State Beach, Park, Recreation, and Historical Facilities Bond Fund Program.

for California's industries. Included in 1969-70 is an intensified program of geological hazards investigations and continuous measurement of California's active faults.

The area of forests, soils and watershed management is concerned with the maximum beneficial use of these resources. Protection of landowners and the public, and technical advisory assistance in land and resource management are the primary needs fulfilled under this program.

In the area of oil, gas, and geothermal operations, regulatory statutes are enforced which assure greater ultimate recovery of oil, gas, and geothermal resources, the prevention of wastes and damage, and the contamination of fresh waters penetrated by wells. This program is entirely funded by assessment of the oil, gas, and geothermal industries.

#### *Fish and Game*

The objective of the Department of Fish and Game is to insure the perpetuation and enhancement of fish and wildlife for the present and future use and enjoyment of the citizens of the state. In 1969-70 the department proposes a budget of \$16.0 million in state

funds to carry out its five programs of law and regulation enforcement, inland fisheries, wildlife, marine resources, and water projects and water quality review.

The enforcement program accounts for almost one-third of the department's budget. The objective of this program is to insure that the Fish and Game Code is enforced to a degree that will provide for the maximum sustained yield, utilization and enjoyment of the fish and wildlife resources.

The inland fisheries program seeks to provide diversified and satisfactory fishing for California anglers while insuring the perpetuation of the state's native fisheries. It is expected that California anglers will spend over 17 million angler days fishing for various species. Since the wild fisheries of the state are not adequate to meet the demand on a sustained basis, the department operates a hatchery system to fill the gap.

The wildlife management program aims to perpetuate and conserve wildlife, to maintain an optimum breeding stock, and to obtain an optimum harvest of those game species that have an open hunting season. Over six million days of recreation for California hunters are provided by upland game species alone.

The marine resources program accounts for more than one-fifth of the budget. The objective of this program is to manage marine fish and wildlife so that there will be a maximum sustained yield for recreational and commercial use. California now produces about one-tenth of the 5 billion pounds of commercial fishery products produced by the United States. Marine sport anglers fish more than six million days and land over 29 million pounds of fish in California in addition to the commercial catch.

The program of water projects and water quality review involves the review and study of federal, state and state-assisted water projects, federal highway projects, and statewide water quality conditions to protect and augment existing fish and wildlife resources. The department is now assisting other public agencies in the development of the fish and wildlife features of plans for the San Francisco Bay.

#### *Harbors and Watercraft*

The objectives of this department are to develop and improve boating facilities and protect lives and property of persons engaged in boating activity and encourage uniformity in boating laws. These objectives are accomplished through two basic programs—boating facility development and boating safety and control.

The 1969-70 fiscal year budget provides funds to continue these programs. Funds provided for boating facility development total about \$5 million for the budget year. The principal source of funds for this activity is the tax paid on fuel purchased for use in boats.

#### *Department of Parks and Recreation*

The Department of Parks and Recreation is in the final phase of an accelerated acquisition and development program to make more outdoor recreational facilities available to the public as soon as possible. This program was made possible by passage of the State



Beach, Park, Recreational and Historical Facilities Bond Act of 1964. As these new facilities become available for public use there is a need for increased funds for their operation and maintenance. The increase in the department's 1969-70 support budget of \$1.9 million to a total of \$18.7 million reflects this need. In addition, the support budget contains funds for an increased law enforcement effort to control the rise in vandalism and petty thievery in the State Park System and funds to decrease the possibility of personal or physical damage due to unsafe trees.

During the 1968-69 fiscal year the department's statewide recreation planning staff issued the California State Park System Plan. This plan serves as a guide to the department's continuing acquisition and development program. During 1969-70 the department will improve upon, update and add to the information contained in the current plan.

During the 1969-70 fiscal year the department will also continue to provide financial assistance to local governments by administering the recreational grant program pursuant to the State Beach, Park, Recreational and Historical Facilities Bond Act of 1964 and the Federal Land and Water Conservation Fund recreational grant program.

#### *Water Resources*

The objectives of the 1969-70 expenditure program of the Department of Water Resources continues to be the maximum beneficial use of California's water. The California Water Project is on schedule. At the beginning of 1969-70, approximately 85 percent of the project will be completed or under contract. Work on the project is steadily moving southward, with a considerable amount of construction being carried on south of the Tehachapi Mountains.

Power generation at the Oroville-Thermalito complex commenced in March 1968, and commercial operation was initiated. Water delivery to Napa County through interim facilities of the North Bay Aqueduct began in March 1968. Work on the California Aqueduct continued to progress. The aqueduct is now capable of delivering water some 220 miles south of the Delta Pumping Plant.

Expenditures for the California Water Project in 1969-70 will total about \$372 million, a decrease of approximately \$8 million from the estimated 1968-69 expenditures. This decrease is the beginning of the downward trend in the level of expenditures, as 1968-69 is expected to be the peak year of expenditures. Subsequent years will reflect further decreases as facilities are completed and placed in operation. During the budget year, \$300 million of general obligation bonds will be sold.

General departmental planning will continue to emphasize investigation of statewide water needs as well as joint financing in connection with investigations of a local nature. The force of new events and changing conditions are reflected in additional emphasis in such program areas as saline water conversion, watershed management, and waste water reclamation. State financial assistance for local projects under the Davis-Grunsky Act will continue with loans estimated at \$7.6 million and grants of \$8.9 million programmed in 1969-70.

The department's local assistance activities include Beach Erosion Control Subventions and Flood Control Subventions.

The beach erosion activities in 1969-70 relate to the continuing Orange County project between Anaheim Bay and Newport Bay and the City of Los Angeles, Point Fermin (Royal Palms) project. A total state cost of \$362,500, including departmental costs.

The flood control activities provide for continuation of reimbursement to local agencies in connection with 37 active flood control and watershed protection projects. A lump sum appropriation of \$10.3 million is provided for this purpose.

#### *State Water Resources Control Board*

The State Water Resources Control Board assumed the responsibilities of the State Water Rights Board and the Water Quality Control Boards on December 1, 1967. The board provides for consideration of water pollution and water quality whenever applications for appropriating water are granted or waste discharge requirements or water quality objectives are established.

Expenditures of \$3.04 million in state funds are proposed for 1969-70. This amount includes a \$300,000 program augmentation directed toward upgrading and intensifying the state's program of water quality control.

#### *Air Resources Board*

This budget provides \$1.9 million in state support for the air pollution control activities of the Air Resources Board. An additional \$800,000 in federal project grant funds is also anticipated for a total program expenditure of \$2.7 million. This total represents a 12.7 percent increase over the amount available for the current year. It provides for the initial testing and certification work necessary to meet the motor vehicle emissions control standards established by the 1968 Legislature and for the beginning of a cooperative state and local program in the control of stationary sources of air pollution.

Included in the Capital Outlay budget are funds for land acquisition and working drawings for a new motor vehicle pollution control testing laboratory. This new facility, when completed will replace the present laboratory which is inadequate to conduct the type of program so urgently needed to restore clean air to California.

#### *San Francisco Bay Conservation and Development Commission*

The Governor is proposing support funds for this commission to ensure continuation of the protection of San Francisco Bay against indiscriminate and unplanned filling of the bay.

### **BUSINESS AND COMMERCE—\$107,885,000**

This function deals with the regulation and licensing of business, commercial, professional and occupational enterprises operating within the state. This group of agencies consists of the Departments of Agriculture, Commerce, Industrial Relations, Professional and Vo-



ational Standards, Alcoholic Beverage Control, Banking, Corporations, Real Estate, Savings and Loan, Insurance, the Public Utilities Commission and smaller agencies. Expenditures are listed in Table 21.

**Table 21**  
**Expenditures for Business and Commerce**  
(In Thousands)

	1967-68 Actual	1968-69 Estimated	1969-70 Proposed	Change from Amount	1968-69 Percent
<b>State Support</b>					
Commerce -----	\$1,292	\$1,506	\$1,482	-\$24	-1.6
Agriculture -----	25,020	26,994	27,603	609	2.3
Industrial Relations --	22,627	24,571	25,250	679	2.8
Regulations and Licensing:					
Alcoholic Beverage Control -----	5,312	5,632	5,850	218	3.9
Banking Department	1,258	1,412	1,415	3	0.2
Department of Cor- porations -----	3,034	3,382	3,054	-328	-9.7
Professional and Vo- cational Stand- ards -----	8,960	10,628	10,835	207	1.9
Public Utilities Com- mission -----	10,588	11,581	12,063	482	4.2
Department of Real Estate -----	3,189	3,376	3,375	-1	-
Department of Sav- ings and Loan --	2,583	2,723	2,798	75	2.8
Department of In- surance -----	3,818	4,100	4,216	116	2.8
Other -----	576	669	721	52	7.8
<b>Totals, Regulation and Licensing</b>	<b>\$39,318</b>	<b>\$43,503</b>	<b>\$44,327</b>	<b>\$824</b>	<b>1.9</b>
Salary increase -----	-	-	5,136	5,136	-
<b>Totals, State Support</b>	<b>\$88,257</b>	<b>\$96,574</b>	<b>\$103,798</b>	<b>\$7,224</b>	<b>7.5</b>
<b>Local Assistance</b>					
Aid to fairs -----	\$3,242	\$2,914	\$2,348	-\$566	-19.4
Salaries of county agri- cultural commis- sion -----	171	172	172	-	-
Assistance to cities and counties for land under contract --	-	-	-	-	-
<b>Totals, Local Assist- ance -----</b>	<b>\$3,413</b>	<b>\$3,086</b>	<b>\$2,520</b>	<b>-\$566</b>	<b>-18.3</b>
<b>Capital Outlay</b>					
Commerce -----	\$175	\$147	-	-\$147	-100.0
Agriculture -----	-	149	\$29	-120	-80.5
Bond Act Program --	(2)	-	-	-	-
District Fair Construc- tion Program --	1,486	3,434	1,538	-1,896	-55.2
<b>Totals, Capital Outlay</b>	<b>\$1,661</b>	<b>\$3,730</b>	<b>\$1,567</b>	<b>-\$2,163</b>	<b>-58.0</b>
<b>GRAND TOTALS</b>	<b>\$93,331</b>	<b>\$103,390</b>	<b>\$107,885</b>	<b>\$4,495</b>	<b>4.3</b>
Bond Act Program --	(2)	-	-	-	-

#### Department of Commerce

This department was established on September 14, 1968, by Reorganization Plan No. 1. Included in the new department are the former Economic Development Agency, World Trade Authorities, Office of Tourism and Visitor Services, San Francisco Port Authority, and California Museum of Science and Industry.

Chapter 1333, Statutes of 1968, transferred the Port Authority to the City of San Francisco effective February 7, 1969, constituting a historic action in transferring a state governmental function to local government in keeping with the Governor's policy.

#### Agriculture

The Department of Agriculture is continuing its efforts to detect and eradicate harmful agricultural pests and diseases. In Kern and Riverside counties, suppression activities continue against the cotton pink bollworm. Under a federal-state cooperative agree-

ment, this effort now involves the use of a new sterile moth air-drop technique. The cotton industry is contributing to this activity through cotton bale fees, which fund approximately one-half of the state cost.

As a proposed budget augmentation, the budget year reflects a contribution to a new interstate Pest Control Compact Insurance Fund, set up as a method for member states to help eradicate pest infestations in other states before they can spread.

A new approach to crop protection has begun during the current fiscal year. Under this approach, crop protection activities will emphasize detection and eradication of pests before they can become established in the state. At the same time, a long-range plan has been initiated to reduce costs and operations at the plant quarantine border stations.

In the budget year, predatory animal control activities will be adjusted to reflect transfer of some rabies suppression aspects of this function to the Department of Public Health.

Other activities to prevent the introduction of crop and livestock pests and diseases continue at the current level. An exception is the woolly whitefly eradication program, which is not contemplated for extension into 1969-70.

Implementation of the new milk pooling law (Chapter 927, Statutes of 1967) proceeds on a full-year basis in the budget year, reflecting the endorsement of the state's milk producers in a November, 1968 referendum. Also, comprehensive inspection of products resembling milk products begins in the current year pursuant to Chapter 1250, Statutes of 1968. Other public protection and producer marketing services continue at current levels.

#### State Exposition and Fair

The 1968 State Fair and Exposition was produced by the California Exposition and Fair Corporation, a nonprofit corporation, at the new Cal Expo grounds in Sacramento. Revenues from this first season fell short of expectations resulting in a deficit in the current year. The nonprofit corporation was dissolved in September 1968 with the State Exposition and Fair Executive Committee assuming the obligation of managing Cal Expo. The 1969-70 Budget proposes, for the balance of the 1968-69 fiscal year, to utilize horse racing revenues to fund the debt service and to fund a \$225,000 program deficiency from the Emergency Fund.

The program in 1969 provides for an appropriate fair and will include racing, 4-H, FFA, a modified floriculture show, industrial arts, a new and timely aerospace exhibition timed to run in conjunction with our efforts to place men on the moon, and some county exhibits, as well as such other appropriate programs as may be promoted within available resources. Both the debt service and the unfunded program costs are proposed as General Fund expenditures in 1969. This is considered as an adjustment period between the 1968 program and the 1970 program so that this year's operation should be viewed as part of a two-year plan to overcome the financial difficulties of the California Exposition and Fair and return it to full operation, hopefully by private capital, on a basis which will lead to its eventual self-support.



The adjustment period during the budget year will permit time to formulate and execute a plan which will attract private investment.

#### *Industrial Relations*

The Department of Industrial Relations contributes toward improvement of working conditions of wage earners in the state, including negotiations of labor disputes, adjudication of claims under the Workmen's Compensation Law, and the enforcement of standards of safety in all phases of industrial activity.

The activities of the Conciliation Service continues to increase as a result of acceleration in number and intensity of agricultural, public employee and health care institution labor disputes.

Cooperative apprenticeship training programs conducted under the Manpower Development and Training Act and the Veteran's Administration are decreasing in 1969-70, based on the most recent information available from the federal government. The level of these programs is determined by the amount of federal funds available to finance them.

Program augmentations in the department for the budget year total \$82,308, and include staff to enforce wage orders for women and minors in agriculture and related industries, and to take affirmative action toward creation of a greater number of job opportunities for members of minorities.

#### *State Banking Department*

The State Banking Department regulates the activities of state chartered banks and trust companies. The 1969-70 budget for this department reflects a reduction in workload as the result of the largest state-chartered bank becoming a nationally chartered institution and thus no longer requiring state regulation.

#### *Department of Corporations*

The Department of Corporations budget reflects the implementation of the Corporate Securities Law of 1968, which was a total and long-needed revision of the securities regulation system of the State of California. Through a better balance between necessary regulatory activity and freedom of private economic activity this new law has enabled the department to reduce its work force significantly. A total of 71.2 positions will be eliminated in this department with the 1969-70 budget.

#### *Department of Real Estate*

Although real estate activity is expected to increase slightly in 1969-70 the Department of Real Estate has been able to hold down expenditures through improved management and the simplification of procedures. The 1969-70 budget for this department totals \$2,995,172 as compared to \$3,016,249 estimated for the current year.

#### *Department of Savings and Loan*

There are today in excess of 4.5 million savers and 192 savings and loan associations licensed by the State of California. In order to secure improved protection

of the funds of the savings and investing public the Department of Savings and Loan has shifted the emphasis of its examination program from a financial verification type examination to a management analysis with a concentration on marginal associations. The examination covers such matters as the organizational structure, management performance in addition to the verification of the financial condition.

Through careful management the department has been able to reduce the number of authorized positions by 38 since the 1966-67 fiscal year with 11 of these position reductions reflected in this budget.

#### *Department of Insurance*

Legislation was enacted in 1968 which abolished the Insurance Fund and transferred all revenues and surplus to the General Fund. This budget thereby provides for the support of the regulatory activities of the Department of Insurance from the General Fund. Estimated revenues to be collected from the insurance industry for support of department activities in 1969-70 total \$4.4 million as opposed to estimated expenditures of \$4.2 million. The department will thus continue to be self-sufficient while greater budgetary flexibility has been achieved by the elimination of the special fund.

#### *Professional and Vocational Standards*

The Department of Professional and Vocational Standards coordinates and supervises the activities of 32 boards, bureaus and commissions charged with licensing and regulating specified businesses and professions.

A Geology Board for the licensing and regulation of geologists was added by the Legislature in 1968, but one board was eliminated when the Yacht and Ship Broker's Commission was transferred to the Department of Harbors and Watercraft.

Additional modifications by the 1968 Legislature included combining the functions of the Bureau of Marriage Counselors and the Board of Social Work Examiners under the new Social Worker and Marriage Counselor Qualification Board. Also combined were the activities of Licensed and Registered Physical Therapists under the Physical Therapy Examining Committee of the Board of Medical Examiners.

#### **ADMINISTRATION AND FISCAL MANAGEMENT—\$79,574,000**

Included in this function are the fiscal management, revenue collecting, and general administration departments. These departments are charged with the central fiscal and administrative responsibilities of state government. The public is entitled to the greatest degree of confidence that their tax dollars are being handled in such a way as to assure unquestioned integrity in the collection and disbursement of public resources.

#### *Department of Housing and Community Development*

The Department of Housing and Community Development is responsible for promoting and maintaining adequate housing and public living environments



Table 22

Expenditures for Administration and Fiscal Management  
(In Thousands)

	1967-68 Actual	1968-69 Estimated	1969-70 Proposed	Change from Amount	1968-69 Percent
<b>State Support</b>					
Board of Control ---	\$107	\$107	\$122	15	140
Controller -----	6,211	7,120	6,880	-240	-3.4
Board of Equalization	23,060	25,414	25,925	511	2.0
Department of					
Finance -----	3,660	3,880	4,395	415	10.4
Franchise Tax Board	14,857	16,497	17,481	984	6.0
Housing Community					
Development ---	1,759	1,894	2,047	153	8.1
Treasurer -----	525	612	689	77	12.6
Bond Act Program--	(36)	(35)	(16)	(-19)	(-54.3)
Executive -----	2,942	3,355	3,551	196	5.8
<b>General Administration</b>					
Department of Gen-					
eral Services --	9,268	10,942	10,541	-401	-3.7
Personnel Board --	4,387	5,002	5,247	245	4.9
Secretary of State	1,171	1,584	1,373	-211	-13.3
Other -----	149	158	178	20	12.7
<b>Totals, General</b>					
Administration	\$14,975	\$17,686	\$17,339	-\$347	-2.0
Credits* -----	-4,672	-5,238	-5,412	-174	-3.3
Salary Increase ----	-	-	4,079	4,079	-
<b>Totals, State Sup-</b>					
port -----	\$63,424	\$71,427	\$77,096	\$5,669	7.9
Bond Act Program--	(36)	(35)	(16)	(-19)	(-54.3)
<b>Capital Outlay</b>					
California Disaster					
Office -----	-	15	-	-15	-100.0
Department of					
Finance -----	1,707	2,743	-	-2,743	-100.0
State Exposition and					
Fair Executive					
Committee -----	8,398	1,511	59	-1,452	-96.1
Department of Gen-					
eral Services ---	1,243	2,990	2,419	-571	-19.1
Bond Act Program--	(437)	-	-	-	-
<b>Totals, Capital</b>					
Outlay -----	\$11,348	\$7,259	\$2,478	-\$4,781	-659
Bond Act					
Program -----	(437)	-	-	-	-
<b>GRAND TOTALS</b> ---	\$74,772	\$78,686	\$79,574	\$888	1.1
Bond Act Program--	(473)	(35)	(16)	(-19)	(-54.3)

\* To General Fund for overhead service charged to agencies supported by special funds.

in California. The department seeks to achieve this objective by the establishment and enforcement of health and safety standards relating to construction, manufacture, repair and rehabilitation of conventional dwelling units, mobilehomes, travel trailers and camp cars. The department also serves as a catalyst in seeking solutions to housing and community development problems through technical assistance, advice, research and dissemination of information to citizens, private businesses and governmental entities.

The department will recover \$1.3 million in revenue for the General Fund in 1969-70. The major producer of departmental revenues are those activities related to mobilehomes, parks and structures. Revenue has increased significantly during the past two years, primarily because of the greatly increased public interest in mobilehomes and recreational vehicles. This increased interest is reflected in the 1969-70 budget by the request of 10 new positions to be used in the regulation of activities related to mobilehomes and recreational vehicles.

### Finance

The Department of Finance has general supervision over the fiscal affairs of the state. The Director of

Finance serves as the Governor's chief fiscal and policy advisor.

The department is responsible for fiscal and program compliance within state government and for the programming and budgeting system. The programming and budgeting system, put into full effect in 1968 for the budget year, consists of overall state planning coordination, program evaluation and the development and enactment of the Governor's financial plan and legislative program.

In the budget year increased emphasis will be placed on program evaluation in order to redirect the effort of the department to activities considered most crucial to the effective implementation of the programming and budgeting system. This shift will be made possible by further delegation of financial plan development and fiscal and program compliance activities to operating agencies.

A budget data system is proposed for development and implementation in the budget year. This system will provide for budget data accumulation, and storage and retrieval, which will significantly improve the availability of information for analysis and decision making; and will aid in producing the accumulated totals which are required for the final version of the Governor's Budget.

### Disaster Office

The basic mission of the Disaster Office is to assist the Governor in the performance of his constitutional and statutory responsibilities for executive direction, coordination and control of statewide disaster mitigation actions in those cases where destructive forces, war-caused or otherwise, are beyond the control or capability of local government.

The proposed workload budget continues the program at the same level as the current year level. Program augmentations in a total amount of \$82,657 are proposed in 1969-70 to increase the capability of the various communications systems for complete statewide coverage.

### General Services

This department provides centralized administrative, property management, and technical services. Several program changes which are expected to improve efficiency and economy in state government are proposed in the budget year. The State Police Program has been reorganized to provide a higher level of training and security service. The Office of Management Planning has been dissolved with the duties being transferred to the Data Processing Service Center and Systems Analysis. The department will be providing consolidated business services, supply services, and reproduction services for Office Buildings 8 and 9 starting in February, 1969. The Facilities Planning Program will assume statewide responsibility for the state's Space Management Program in 1969-70. The function of the Building Standards Commission will be continued but will be funded from the budgets of user agencies; and the EDP review functions of the Systems Analysis Office have been transferred to the Office of Management Services in the current year.



## Office of Management Services

The Office of Management Services was established in 1968 to provide for the optimum utilization of electronic data processing systems for state government. This office works closely with the Intergovernmental Board on Electronic Data Processing, which includes assisting in the development of statewide policies for intergovernmental information exchange. This budget provides for the transfer of EDP policy control from Systems Analysis Department of General Services to this office.

### Personnel Board

In the current year the State Personnel Board will institute a work measurement program similar to the successful program currently in operation at the Franchise Tax Board. This program, previously planned for 1967-68, was deferred because of lack of experienced personnel in this area. Approximately 145 positions will be surveyed. The cost of the program, including consultant fees, will be provided by savings in the Personnel Board's budget. Other board activities are continued at approximately the same level.

### Secretary of State

Chapter 1107, Statutes of 1968, established legislative intent to provide staff for the State Commission on Voting Machines and Vote Tabulating Devices. As a consequence an executive secretary is proposed to study voting devices, to provide liaison with counties regarding use of machines, and to supervise operational procedures.

### Public Employees' Retirement System

Major current year program changes for the Public Employees' Retirement System included a one-time cost-of-living increase in retirement allowances to bring benefits to a more current level; provisions for future automatic cost-of-living increases for all retired members; and an improved benefit formula for patrol and local safety members with a lowered "normal" retirement age.

The system also developed and sponsored, under the Meyers-Geddes Hospital and Medical Care Act, several major medical plans which are available to members enrolled in basic health benefit plans.

### Statewide Integrated Information System

The Intergovernmental Board on Electronic Data Processing was established in 1968 to formulate goals, objectives, and general policies relative to the development and maintenance of intergovernmental information systems. This board will coordinate the development of compatible procedures, with the eventual goal of developing integrated statewide information systems providing optimum service to all levels of government. In addition, the board will represent the public agencies in California to insure that any federal standards will be flexible enough to allow for the cooperation and coordinated approach undertaken in this state in relation to intergovernmental information systems.

## OTHER EXPENDITURES—\$180,602,000

The other functional presentations include all programs and related expenditures which may be considered as homogeneous segments of the state's total range of activities. Because of the wide diversity in the operations of the state, certain expenditure programs cannot appropriately be classified with any other function and have been grouped in this category.

These programs include legislative, judicial, military, veterans and various broad items of expense such as debt service.

Table 23  
Other Expenditures  
(In Thousands)

	1967-68 Actual	1968-69 Estimated	1969-70 Proposed	Change from Amount	1968-69 Percent
<b>State Support</b>					
Legislative .....	\$19,292	\$25,168	\$26,038	\$870	3.5
Bond Act Program .....	-	(36)	(8)	(-28)	(-77.8)
Judicial .....	5,436	6,815	7,692	877	12.9
Justice .....	16,420	20,723	25,603	4,880	23.5
Military affairs .....	3,745	4,277	4,620	343	8.0
Veterans affairs .....	7,879	7,931	8,110	179	2.3
Miscellaneous .....	1,305	1,548	1,816	268	17.3
Unallocated .....	120	2,034	1,121	-913	-44.9
Credits to General Fund for overhead services charged to agencies supported by special funds .....	-3,355	-3,762	-3,887	-125	3.3
Estimated unidentifiable savings .....	-	-2,500	-7,500	-5,000	200.0
Debt service .....	80,162	80,495	95,208	14,713	18.3
Salary increase .....	-	-	3,827	3,827	-
<b>Totals, State Support</b>	<b>\$131,004</b>	<b>\$142,729</b>	<b>\$162,648</b>	<b>\$19,919</b>	<b>14.0</b>
Bond Act Program .....	-	(36)	(8)	(-28)	(-77.8)
<b>Local Assistance</b>					
Judges' salaries and retirement .....	\$8,205	\$11,157	\$11,614	\$457	4.1
Earthquake and storm damage .....	847	19	-775	-794	-
Workmen's compensa- tion for disaster ser- vice workers .....	38	49	51	2	4.1
Peace officers' stand- ards and training .....	1,596	3,948	4,927	979	24.8
County public defenders	600	775	775	-	-
<b>Totals, Local Assist- ance .....</b>	<b>\$11,286</b>	<b>\$15,948</b>	<b>\$16,592</b>	<b>\$644</b>	<b>4.0</b>
<b>Capital Outlay</b>					
Military affairs .....	\$221	\$291	\$359	\$68	23.4
Veterans affairs .....	81	44	53	9	20.5
Bond Act Program .....	(255)	(209)	-	(-209)	(-100.0)
Unallocated Capital	300	925	950	25	2.7
Bond Act Program .....	-	(4,050)	(3,000)	(-1,050)	(-25.9)
<b>Totals, Capital Outlay</b>	<b>\$602</b>	<b>\$1,260</b>	<b>\$1,362</b>	<b>\$102</b>	<b>8.1</b>
Bond Act Program .....	<b>(255)</b>	<b>(4,259)</b>	<b>(3,000)</b>	<b>(-1,259)</b>	<b>(-29.6)</b>
<b>GRAND TOTALS</b>	<b>\$142,892</b>	<b>\$159,937</b>	<b>\$180,602</b>	<b>\$20,665</b>	<b>12.9</b>
Bond Act Program .....	<b>(255)</b>	<b>(4,295)</b>	<b>(3,008)</b>	<b>(-1,287)</b>	<b>(-30.0)</b>

### Judicial

Continuing increases in workload have caused further backlog in the courts. To help cope with this backlog, the Supreme Court and the First, Third and Fourth District Courts of Appeal are proposing additional legal staff. The Judicial Council is proposing two additional positions for a traffic court procedures study and increased statistical work. Additional funds for a study of appellate court procedures are also proposed.

Chapter 144, Statutes of 1964 provides that judges' salaries will increase every fourth year by the same percentage increase as that of per capita personal in-



come in California. The first adjustment took place September 1, 1968, using the percentage increase between 1963 and 1967 as the adjusting factor. The actual increase is 22.289%.

The balance in the Judges' Retirement Fund will not be adequate to pay the estimated benefits during 1969-70. A special budget act appropriation of \$1,100,000 is provided to assure that sufficient money will be available.

#### *Justice*

The workload of the Department of Justice is, to a considerable extent, related to the growth of the state and its government because of the attendant increase in the civil and administrative legal problems of state departments, boards, and commissions. An increase in criminal activity is having an effect on the workload of the department in the area of law enforcement. Recent court decisions are also having an effect on the legal problems in criminal law, primarily in the areas of writs and appeals where the time needed to represent the people properly in each case is increasing significantly.

For this reason the number of criminal cases that the department disposed of decreased from 7,594 in 1966-67 to 6,458 in 1967-68, or a decrease of 15 percent and the number of pending cases increased from 4,528 at the end of 1966-67 to 4,808 at the end of 1967-68. Of the total number of criminal cases, writs and appeals accounted for 5,414 and 6,074 of the cases in 1966-67 and 1967-68 respectively, of approximately 71 and 94 percent of the total caseload.

In the area of law enforcement, a principal contribution of the Department of Justice is that of providing data and services connected with criminal identification and investigation and the exchange of information with local law enforcement agencies. To improve effectiveness and responsiveness in this area, the department is applying automatic data processing technology.

The California Law Enforcement Telecommunications System (CLETS), initiated in the 1968-69 fiscal year, is being expanded and will be fully operational in 1969-70. CLETS will provide all agencies on the system with rapid access to the computerized information files of the Highway Patrol, Department of Justice, and the Department of Motor Vehicles.

The design study for the Criminal Justice Information System (CJIS) is being completed in the 1968-69 fiscal year. Implementation of CJIS is to begin in 1969-70 and full conversion of existing systems should be completed by 1972-73. CJIS will not only provide law enforcement agencies with all essential information currently contained in the department's files, but in addition will provide rapid access to the information, primarily through CLETS.

Through the programs of the Commission on Peace Officers' Standards and Training, a total of 4,606 officers were trained, 410 jurisdictions were eligible for state assistance for peace officer training, and \$1,596,062 was paid to local jurisdictions in 1967-68. In 1968-69 it is anticipated 11,900 officers will be trained and \$3,948,300 allocated to local jurisdictions. The 1969-70 program plans for the training of 13,800 officers and reimbursements to local jurisdictions of \$4,927,400.

#### *Military Department*

The Military Department is responsible for organizing and directing the activities of the California National Guard. The Army National Guard consists of approximately 22,000 officers and men in full operational readiness, assigned to 190 units located in 115 communities from the Oregon to the Mexican border. The Air National Guard consists of approximately 4,800 officers and men assigned to 45 units located at four flight bases and three non-flight installations. The National Guard is subject to federal mobilization in time of national emergency, but otherwise is available to the Governor for military support of civil authority anywhere in California in the event of natural or war-caused disasters, civil disturbances or other emergencies. This budget proposes continued support at approximately the same level as the current year.

An increased number of military retirements are occurring and increased expenditures for this purpose are required in the 1969-70 fiscal year. Those personnel now retiring were called to active duty prior to October 1, 1961. Military personnel ordered to active duty subsequent to that date are members of the Public Employees' Retirement System. Because of this, retirement costs currently are increasing but in subsequent years will decrease since such personnel will be under the Public Employees' Retirement System.

Program augmentations totaling \$75,243 are proposed in 1969-70 to improve the capability of the department to furnish military support to local law enforcement agencies in the event of major civil disturbance or riot.

#### *Department of Veterans' Affairs*

The Department of Veterans' Affairs administers Veterans' programs including financing of farm and home purchases, educational assistance and determination of eligibility for state benefits.

The Department also operates the Veterans' Home of California. Proposed augmentations in the budget year for the Veterans' Home are in hospital services and are to provide an intensive care unit, staffing for a modern emergency and acute hospital care unit, and additional supervising nursing staff. These augmentations are to bring the hospital at the Home up to modern medical standards.

The domiciliary services continue at approximately the same level as the current year.

#### *Debt Service*

Debt Service expenditures will include \$3 million for payment of interest on General Fund loans and \$92.2 million for bond interest and redemption of State Construction Program Bonds; the State Beach, Park, Recreational and Historical Facilities Bond; and the California Tenth Olympiad Bond of 1927. The \$3 million cost of interest for General Fund borrowing represents a substantial savings as a result of the passage of Chapter 1457, Statutes of 1968.

#### *Salary Increases*

For 1969-70 a total of \$58 million from the General Fund and \$20.8 million from special funds is recommended for a general program of 5 percent



increases for all classes with provision for limited special salary adjustments to maintain parity with salaries paid in private industry and other governmental jurisdictions. We must assist state employees to meet the rising cost of inflation without contrib-

uting to inflationary trends ourselves. We believe this five percent increase is proper from both these aspects. The augmentation for salary increases has been distribute to each of the major functions on the basis of the relative size of expenditures for support.

Table 24  
PERSONNEL MAN-YEARS AND SALARY COST ESTIMATES

FUNCTION	Actual 1967-68		Estimated 1968-69		Proposed 1969-70	
	Personnel man-years	Cost	Personnel man-years	Cost	Personnel man-years	Cost
Legislative <sup>a</sup> -----	235.2	\$3,046,941	244	\$3,284,417	244	\$3,382,250
Judicial -----	264.3	3,822,855	295.6	4,642,387	313.4	5,146,640
Executive <sup>b</sup> -----	99	1,181,708	144.7	1,570,339	125.8	1,469,238
General Administration -----	4,831.5	40,569,121	5,073.5	44,194,746	5,158.6	45,737,207
Agriculture -----	1,944.1	16,300,181	2,003	17,846,344	1,995.9	18,148,773
Commerce -----	492.5	4,291,688	122.5	963,760	126.2	1,039,116
Corrections -----	9,839	87,848,041	10,229.8	96,159,081	10,680.5	100,280,162
Education -----	2,073.1	18,260,477	2,278.6	21,171,455	2,442.5	22,701,273
Higher Education -----	53,767.8	477,791,614	60,828	580,784,902	65,934.4	632,485,334
Fiscal Affairs -----	4,760.6	41,169,607	4,913.5	44,623,021	4,950.6	45,746,463
Health and Welfare -----	32,759.8	260,393,718	34,278.1	290,966,984	34,774.3	299,242,550
Highway Transportation -----	31,168.1	262,264,710	34,403	301,735,019	35,731.7	319,486,135
Industrial Relations -----	3,189.5	28,851,491	3,273.9	30,610,658	3,299.1	31,806,865
Justice -----	1,419.9	12,501,846	1,531.5	14,314,929	1,643.8	15,895,722
Military Affairs -----	375.8	2,827,510	388.7	3,138,011	390.6	3,173,028
Regulation and Licensing -----	3,054.2	29,098,571	3,103.3	31,475,221	3,049.9	31,569,228
Resources -----	11,428.7	100,993,657	11,726.6	108,432,494	11,689.3	110,186,116
Veterans Affairs -----	981.9	7,241,548	988.7	7,593,529	1,017.6	7,936,316
Miscellaneous -----	11.7	103,135	15	153,325	11.5	121,658
Totals -----	162,676.7	\$1,398,558,419	175,839	\$1,603,660,622	183,579.7	\$1,695,554,074
Augmentation for Salary Increase -----	-	-	-	-	-	91,031,185
Augmentation for Overtime -----	-	-	-	-	-	349,500
Total -----	-	-	-	-	-	\$1,786,934,759
CLASSIFICATION						
Statutory -----	294.6	\$6,143,015	303	\$6,823,212	300.7	\$6,872,511
Exempt -----	825	9,736,140	874.2	10,955,447	910.2	11,762,495
Civil Service -----	107,938.1	906,189,813	114,043.2	1,007,213,081	116,676	1,046,896,871
University of California -----	33,597.3	287,528,913	37,359.7	346,210,692	39,433.5	366,835,419
State Colleges and Trustees -----	19,539	186,189,915	22,572.6	228,684,339	25,498.9	258,939,571
Other State College Facilities <sup>c</sup> -----	414.3	1,904,344	604	2,753,621	665.5	3,095,503
Hastings College of Law -----	68.4	866,279	82.3	1,020,230	94.9	1,151,704
Totals -----	162,676.7	\$1,398,558,419	175,839	\$1,603,660,622	183,579.7	\$1,695,554,074
Augmentation for Salary Increase -----	-	-	-	-	-	91,031,185
Augmentation for Overtime Pay -----	-	-	-	-	-	349,500
Total -----	-	-	-	-	-	\$1,786,934,759

<sup>a</sup> Excludes legislative staff.

<sup>b</sup> Excludes the Governor's office.

<sup>c</sup> Includes staff for the State College Dormitory Revenue Fund, College Auxiliary Enterprise Fund and the State College Parking Revenue Fund.

## Schedule 2

## COMPARATIVE STATEMENT OF REVENUES; FISCAL YEARS 1967-68, 1968-69, AND 1969-70

Source	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
MAJOR TAXES AND LICENSES:									
Alcoholic Beverage Taxes and Fees:									
Excise Tax on Beer and Wine	\$13,196,138		\$13,196,138	\$14,300,000		\$14,300,000	\$15,100,000		\$15,100,000
Excise Tax on Distilled Spirits	81,699,961		81,699,961	86,500,000		86,500,000	90,000,000		90,000,000
Liquor License Fees	4,153,768	\$11,582,538	15,736,306	6,000,000	\$12,015,000	18,015,000	6,250,000	\$12,600,000	18,850,000
Bank and Corporation Tax	576,874,299		576,874,299	594,000,000		594,000,000	539,000,000		539,000,000
Cigarette Tax	158,527,865	60,744,455	219,272,320	169,400,000	72,600,000	242,000,000	169,400,000	72,600,000	242,000,000
Gift Tax	9,822,674		9,822,674	13,300,000		13,300,000	14,500,000		14,500,000
Horse Racing Licenses	46,103,454	8,695,973	54,799,427	50,724,735	9,491,265	60,216,000	53,813,697	9,151,303	62,965,000
Inheritance Tax	125,731,505		125,731,505	140,000,000		140,000,000	156,500,000		156,500,000
Insurance Companies Tax	121,154,865		121,154,865	128,000,000		128,000,000	137,000,000		137,000,000
Motor Vehicle License Fees ("In Lieu" Tax)		200,430,133	200,430,133		216,700,000	216,700,000		227,800,000	227,800,000
Motor Vehicle Fuel Tax:									
Gasoline		546,836,400	546,836,400		575,000,000	575,000,000		600,000,000	600,000,000
Diesel and Liquefied Petroleum Gas		33,650,694	33,650,694		34,700,000	34,700,000		37,200,000	37,200,000
Motor Vehicle Registration and Other Fees		237,488,286	237,488,286		249,300,000	249,300,000		259,000,000	259,000,000
Motor Vehicle Transportation Tax		18,882,182	18,882,182		22,000,000	22,000,000		24,000,000	24,000,000
Personal Income Tax	952,486,844		952,486,844	1,075,000,000		1,075,000,000	1,223,000,000		1,223,000,000
Private Car Tax	2,931,515		2,931,515	3,865,000		3,865,000	4,100,000		4,100,000
Retail Sales and Use Taxes	1,464,927,141		1,464,927,141	1,620,000,000		1,620,000,000	1,730,000,000		1,730,000,000
TOTALS, MAJOR TAXES AND LICENSES	\$3,557,610,032	\$1,118,310,661	\$4,675,920,693	\$3,901,089,735	\$1,191,806,265	\$5,092,896,000	\$4,138,663,697	\$1,242,351,303	\$5,381,015,000
OTHER REVENUES:									
Architecture Public Building Fees		\$1,379,991	\$1,379,991					\$1,600,000	\$1,600,000
Corporation—Licenses, Permits and Examination Fees	\$5,291,740		5,291,740	\$3,825,935		3,825,935	\$4,286,789		4,286,789
County Board Charges:									
Mental Hygiene Patients	3,405,025		3,405,025	4,800,000		4,800,000	10,800,000		10,800,000
Youth Authority Wards	1,738,641		1,738,641	1,561,800		1,561,800	1,620,300		1,620,300
Pay Patients Board Charges and Clinic Fee:									
Mental Hygiene Patients	17,910,194		17,910,194	17,476,776		17,476,776	18,375,000		18,375,000
Clinic Fees	166,126		166,126	105,000		105,000	110,000		110,000
Receipts from Health Care Deposit Fund	16,212,362		16,212,362	47,086,800		47,086,800	55,523,600		55,523,600
Medicare Receipts from the Federal Government	7,095,773		7,095,773	6,086,174		6,086,174	3,215,286		3,215,286
Department of Agriculture	94,792	9,464,623	9,559,415	85,256	10,942,554	11,027,810	105,256	12,327,060	12,432,316
Department of Education—Credentialed Fees				2,363,465		2,363,465	2,796,991		2,796,991
Professional and Vocational Standards	11,314,318		11,314,318	171,660		171,660	183,973		183,973
Division of Real Estate	2,944,697		2,944,697		9,694,211	9,865,871	11,751,805		11,935,778
Fishing and Hunting Licenses	13,672,379		13,672,379		3,640,072	3,640,072	3,761,802		3,761,802
Insurance Fund	3,445,818		3,445,818		13,929,500	13,929,500	14,365,600		14,365,600
Interest on Investments:				3,901,866		3,901,866	4,400,000		4,400,000
California Water Fund		610,643	610,643						
Pooled Money Investments	33,485,629		33,485,629	42,550,000		42,550,000	44,605,625		44,605,625
Surplus Money Investments		11,362,665	11,362,665		11,492,702	11,492,702		11,749,680	11,749,680
Condemnation Deposit Investments	174,625	1,145,620	1,320,245	155,000	1,038,731	1,193,731	155,000	1,525,000	1,680,000
Other Interest Income	991,615	7,841,787	8,833,402	795,000	4,401,702	5,196,702	795,000	4,942,504	5,737,504



**Schedule 2—COMPARATIVE STATEMENT OF REVENUES; FISCAL YEARS 1967-68, 1968-69, AND 1969-70—Continued**

Sources	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
OTHER REVENUES—Continued									
Oil and Gas Revenues:									
Revenues Collected by State Lands Division <sup>a</sup>	2,012,100	37,468,156	39,480,355	2,319,054	25,938,378	28,257,432	2,521,854	22,060,940	25,512,800
Federal Lands		2,681,412	2,681,412		4,305,275	4,305,275		2,864,075	2,864,075
Other	442,626		442,626	440,725		440,725	440,000		440,000
Penalties and Interest on Unemployment Contributions		2,674,558	2,674,558						
Penalties on Traffic Violations	11,386,486		11,386,486	13,035,211	2,098,000	2,698,000		3,097,500	3,097,500
Penalties on Criminal Convictions		1,783,425	1,783,425		2,400,000	2,400,000	14,100,000	4,000,000	18,100,000
Secretary of State—Fees and Miscellaneous	2,392,131		2,392,131	2,858,540	2,200,000	2,200,000		2,250,000	2,250,000
State Fair Revenues		2,396,703	2,396,703				3,000,100		3,000,100
Transportation Rate Fund		4,422,065	4,422,065		1,225,073	1,225,073		1,392,559	1,392,559
Proceeds under Unclaimed Property Act	3,709,431		3,709,431	1,734,000	4,477,500	4,477,500		5,107,250	5,107,250
Sales of State Property	1,526,246		1,526,246	2,411,750		2,411,750	1,851,000		1,851,000
State Beach and Park Service Fees	4,683,698		4,683,698	4,700,000		4,700,000	5,000,000		5,000,000
Not Otherwise Classified	7,471,780	15,428,589	22,900,378	7,060,468		20,362,700	8,320,466		21,856,635
TOTAL, OTHER REVENUES	\$120,482,266	\$135,641,614	\$256,123,880	\$167,030,480	\$113,207,814	\$280,238,300	\$184,430,300	\$117,808,300	\$302,329,600
TOTAL, REVENUES	\$3,678,062,298	\$1,253,952,275	\$4,932,044,573	\$4,008,120,221	\$1,305,014,079	\$5,373,134,300	\$4,323,093,997	\$1,360,250,003	\$5,683,344,000
OTHER INCOME—TRANSFERS:									
California Water Fund	\$1,885,657	—\$1,885,657			—\$714,107	—\$714,107			
California Water Fund		—4,935,776	—4,935,776		(714,107)	(714,107)			
Central Valley Water Project Construction Fund		(4,935,776)	(4,935,776)						
Department of Employment Contingent Fund	2,323,270	—2,323,270		\$2,172,238	—2,172,238		\$2,652,470	—\$2,652,479	
Insurance Fund				490,754	—490,754				
Motor Vehicle Fund				2,805,856	—2,805,856				
State Water Quality Control Fund <sup>b</sup>							250,000		\$250,000
Water Resources Revolving Fund <sup>b</sup>				500,000		500,000			
TOTAL, OTHER INCOME	\$4,208,627	—\$9,144,703	—\$4,935,776	\$5,968,848	—\$6,182,955	—\$214,107	\$2,902,470	—\$2,652,479	\$250,000
TOTAL INCOME	\$3,682,301,225	\$1,244,807,572	\$4,927,108,797	\$4,074,080,069	\$1,298,831,124	\$5,372,920,193	\$4,325,996,476	\$1,357,598,124	\$5,683,504,600
Personal Income Tax Reduction							—100,000,000		—100,000,000

<sup>a</sup> Includes oil royalties and bid bonuses.

<sup>b</sup> Not recorded as a reduction in special funds as these funds are not governmental cost funds and receipts are not included in budget totals.

## Schedule 3

## COMPARATIVE STATEMENT OF EXPENDITURES BY CHARACTER, FUNCTION, ORGANIZATION UNIT AND FUND FOR FISCAL YEARS 1967-68, 1968-69, AND 1969-70

Page <sup>1</sup> Ref- er- ence	Organization Unit	Actual 1967-68			Estimated 1968-69			Estimated 1969-70			
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total	
STATE OPERATIONS											
Legislative:											
1	Legislature.....	\$20,272,602	—\$2,800,284	\$17,463,318	\$21,784,646	\$1,307,659	\$23,092,305	\$23,743,827	-----	\$23,743,827	
4	Legislative Counsel Bureau.....	1,183,201	-----	1,183,201	1,454,889	-----	1,454,889	1,574,370	-----	1,574,370	
5	Law Revision Commission.....	126,230	-----	126,230	159,069	-----	159,069	163,922	-----	163,922	
5	Commission on Uniform State Laws.....	8,871	-----	8,871	11,500	-----	11,500	15,400	-----	15,400	
6	Contribution to Legislators' Retirement Fund.....	510,000	-----	510,000	450,000	-----	450,000	540,000	-----	540,000	
	Totals, Legislative.....	\$22,100,804	—\$2,800,284	\$19,291,620	\$23,860,104	\$1,307,659	\$25,167,763	\$26,037,519	-----	\$26,037,519	
Judicial:											
7	Supreme Court.....	\$1,328,717	-----	\$1,328,717	\$1,518,026	-----	\$1,518,026	\$1,725,037	-----	\$1,725,037	
8	Judicial Council—Program Augmentation.....	702,635	-----	702,635	788,533	-----	788,533	857,340	-----	857,485	
10	Judicial Council.....	33,901	-----	33,901	38,334	-----	38,334	30,222	-----	39,222	
11	Commission on Judicial Qualifications.....	869,426	-----	869,426	1,033,789	-----	1,033,780	1,096,725	-----	1,096,725	
12	Court of Appeal, First Appellate District.....	1,306,290	-----	1,306,290	1,990,955	-----	1,990,955	2,219,309	-----	2,219,309	
13	Court of Appeal, Second Appellate District.....	302,865	-----	302,865	421,092	-----	421,902	536,713	-----	536,713	
14	Court of Appeal, Third Appellate District.....	527,003	-----	527,003	584,886	-----	584,886	723,215	-----	723,215	
15	Court of Appeal, Fourth Appellate District.....	253,441	-----	253,441	288,617	-----	288,617	310,533	-----	310,533	
16	Court of Appeal, Fifth Appellate District.....	111,680	-----	111,680	149,488	-----	140,488	154,183	-----	154,183	
	Contributions to Judges' Retirement Fund.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	
	Totals, Judicial.....	\$5,435,958	-----	\$5,435,958	\$6,814,620	-----	\$8,814,620	\$7,682,277	\$10,145	\$7,692,422	
Executive:											
Governor's Office											
17	Governor.....	\$1,402,392	-----	\$1,402,392	\$1,540,265	-----	\$1,540,265	\$1,571,733	-----	\$1,571,733	
17	Secretary for Business and Transportation.....	-----	\$78,272	78,272	-----	\$98,923	98,923	-----	\$104,405	104,405	
18	Secretary for Human Relations.....	103,665	-----	103,665	130,167	-----	130,167	138,676	-----	138,676	
19	Secretary for Resources.....	143,745	-----	143,745	169,816	-----	169,816	177,176	-----	177,176	
20	Secretary for Agriculture and Services.....	-----	-----	-----	85,847	-----	85,847	95,224	-----	95,224	
21	Youth and Adult Corrections Agency.....	63,862	-----	63,862	5,358	-----	5,358	-----	-----	-----	
22	Disaster Office—Program Augmentation.....	-----	-----	-----	983,393	-----	983,393	82,657	-----	82,657	
22	Disaster Office.....	953,632	-----	953,632	-----	-----	-----	1,011,713	-----	1,011,713	
24	Council on Intergovernmental Relations.....	22,674	-----	22,674	109,724	-----	109,724	133,112	-----	133,112	
25	Lieutenant Governor.....	173,977	-----	173,977	231,501	-----	231,501	236,573	-----	236,573	
	Totals, Executive.....	\$2,863,947	\$78,272	\$2,042,219	\$3,250,071	\$98,923	\$3,354,994	\$3,446,864	\$104,405	\$3,551,269	
General Administration:											
26	Public Employees' Retirement System.....	\$22,500	-----	\$22,500	\$22,500	-----	\$22,500	\$22,500	-----	\$22,500	
30	Department of General Services.....	4,685,040	\$10,421	4,704,461	5,896,921	\$9,156	5,906,077	5,123,948	\$8,944	5,132,892	
30	Office of Architecture and Construction.....	-----	1,492,063	1,492,063	-----	1,605,454	1,605,454	-----	1,627,701	1,627,701	
62	Office of Management Services.....	61,138	-----	61,136	223,165	-----	223,165	279,405	-----	279,405	
63	Intergovernmental Board on Electronic Data Processing.....	-----	-----	-----	27,801	-----	27,801	54,660	-----	54,660	
64	California Advisory Commission on Marine and Coastal Resources.....	24,757	-----	24,757	61,399	-----	61,399	67,752	-----	67,752	
65	State Exposition and Fair Executive Committee.....	121,175	-----	121,175	1,064,234	2,051,915	3,116,149	1,780,000	1,596,240	3,376,240	
67	State Fair and Exposition.....	244,590	2,619,441	2,864,031	-----	-----	-----	-----	-----	-----	
71	Capitol Building and Planning Commission.....	817	-----	817	2,250	-----	2,250	2,250	-----	2,250	

<sup>1</sup> Refers to page number in the "Traditional Detail for the Support and Local Assistance Budget".



# **Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued**

Page <sup>1</sup> Ref- er- ence	Organization Unit	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
	STATE OPERATIONS--Continued									
	General Administration--Continued									
	Commission on California State Government Organization and Economy-----	44,844	-----	44,844	54,303	-----	54,303	55,469	-----	55,469
71	Commission on Interstate Cooperation-----	81,496	-----	81,496	74,660	5,000	79,660	99,100	-----	99,100
72	Personnel Board-----	4,387,413	-----	4,387,413	5,002,379	-----	5,002,379	5,247,500	-----	5,247,500
73	Secretary of State--Program Augmentation-----	-----	-----	-----	-----	-----	-----	30,000	-----	30,000
74	Secretary of State-----	1,170,473	-----	1,170,473	1,584,035	-----	1,584,035	1,342,874	-----	1,342,874
75	California Heritage Preservation Commission-----	-----	-----	-----	1,000	-----	1,000	1,000	-----	1,000
	Totals, General Administration-----	\$10,844,241	\$4,130,925	\$14,975,166	\$14,014,647	\$3,671,525	\$17,686,172	\$14,106,548	\$3,232,885	\$17,339,433
	Agriculture:									
	Department of Agriculture--Program Augmentation-----	\$12,547,407	\$9,348,938	\$21,896,405	\$12,300,380	\$11,642,503	\$23,942,883	\$109,380	-----	\$109,380
82	Department of Agriculture-----	-----	-----	-----	-----	-----	-----	12,615,635	\$11,965,616	24,581,251
92	District Agricultural Associations-----	340,200	3,402,000	3,061,800	462,930	3,462,900	2,999,970	473,000	3,371,700	2,898,700
93	Poultry Improvement Commission-----	-----	61,886	61,886	-----	51,611	51,611	13,543	-----	13,543
	Totals, Agriculture-----	\$12,207,267	\$12,812,824	\$25,020,091	\$11,837,450	\$15,157,014	\$26,994,464	\$12,265,558	\$15,337,316	\$27,602,874
	Commerce:									
	Department of Commerce-----	\$775,641	\$484,016	\$1,259,657	\$854,135	\$617,566	\$1,471,701	\$824,847	\$620,202	\$1,445,049
95	Office of Consumer Counsel-----	32,068	-----	32,068	34,563	-----	34,563	37,427	-----	37,427
103	Totals, Commerce-----	\$807,709	\$484,016	\$1,291,725	\$888,698	\$617,566	\$1,506,264	\$862,274	\$620,202	\$1,482,476
	Corrections:									
	Department of Corrections--Program Augmentation-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
104	Department of Corrections-----	\$82,308,990	-----	\$82,308,990	\$91,016,889	-----	\$91,016,889	95,071,600	-----	\$234,000
125	Augmentation of Correctional Industries Revolving Fund-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
128	Department of the Youth Authority--Program Augmentation-----	-----	-----	-----	-----	-----	-----	45,388	-----	45,388
128	Department of the Youth Authority-----	39,245,381	-----	39,245,381	43,899,287	-----	43,899,287	47,729,400	-----	47,729,400
	Totals, Corrections-----	\$121,644,371	-----	\$121,644,371	\$134,660,443	-----	\$134,660,443	\$143,080,388	-----	\$143,080,388
	Education:									
	Department of Education:									
146	Educational Commission of the States-----	\$11,834	-----	\$11,834	-----	-----	-----	\$24,100	-----	\$24,100
146	Department of Education--Program Augmentation-----	-----	-----	-----	\$24,000	-----	\$24,000	50,000	-----	50,000
146	Department of Education-----	4,807,929	-----	4,807,929	7,208,267	-----	7,208,267	7,791,260	-----	7,791,260
158	National Defense Education-----	325,930	-----	325,930	390,708	-----	390,708	390,708	-----	390,708
161	Elementary and Secondary Education Act-----	126,039	-----	126,039	280,816	-----	280,816	295,855	-----	295,855
	Special Schools for the Physically Handicapped:									
174	School for the Blind--Program Augmentation-----	876,879	-----	876,879	1,021,445	-----	1,021,445	262,000	-----	262,000
174	School for the Blind-----	-----	-----	-----	-----	-----	-----	983,592	-----	983,592
	Diagnostic School for Neurologically Handicapped Children, Northern California-----	606,504	-----	606,504	675,860	-----	675,860	709,402	-----	709,402
176	Diagnostic School for Neurologically Handicapped Children, Southern California--Program Augmentation-----	-----	-----	-----	-----	-----	-----	25,000	-----	25,000
177	Diagnostic School for Neurologically Handicapped Children, Southern California-----	553,349	-----	553,349	610,470	-----	610,470	637,566	-----	637,566

<sup>1</sup> Refers to page number in the "Traditional Detail for the Support and Local Assistance Budget".

# **Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued**

Page <sup>1</sup> Ref- er- ence	Organization Unit	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
STATE OPERATIONS—Continued										
Education:—Continued										
Department of Education:—Continued										
Special Schools—Continued										
179	School for the Deaf, Berkeley.....	2,115,952	-----	2,115,952	2,252,021	-----	2,252,021	2,299,880	-----	2,299,880
181	School for the Deaf, Riverside—Program Augmentation.....	2,323,002	-----	2,323,002	2,402,909	-----	2,402,909	186,000	-----	186,000
181	School for the Deaf, Riverside.....	-----	-----	-----	-----	-----	-----	2,463,396	-----	2,463,396
	Totals, Special Schools.....	\$6,475,686	-----	\$6,475,686	\$6,962,705	-----	\$6,962,705	\$7,566,836	-----	\$7,566,836
185	Vocational Education.....	\$795,584	-----	\$795,584	\$825,844	-----	\$825,844	\$764,274	-----	\$764,274
	Totals, Department of Education.....	\$12,543,002	-----	\$12,543,002	\$15,692,340	-----	\$15,692,340	\$16,883,033	-----	\$16,883,033
190	Division of Libraries.....	\$1,554,019	-----	\$1,554,019	\$1,789,502	-----	\$1,789,502	\$1,810,922	-----	\$1,810,922
194	State Teachers' Retirement System—Program Augmentation.....	-----	-----	-----	-----	-----	-----	175,000	-----	175,000
194	State Teachers' Retirement System.....	1,107,480	-----	1,107,480	\$71,635	-----	\$71,635	1,037,395	-----	1,037,395
	Totals, Education.....	\$15,204,501	-----	\$15,204,501	\$18,353,477	-----	\$18,353,477	\$19,906,350	-----	\$19,906,350
Higher Education:										
Coordinating Council for Higher Education—Program Augmentation.....										
197	Coordinating Council for Higher Education.....	\$512,837	-----	\$512,837	\$571,110	-----	\$571,110	\$25,880	-----	\$25,880
201	University of California—Program Augmentation.....	-----	-----	-----	-----	-----	-----	525,465	-----	525,465
201	University of California.....	243,762,362	\$266,500	244,028,862	291,039,045	\$233,200	291,272,245	1,285,020	-----	1,285,020
210	Hastings College of the Law—Program Augmentation.....	-----	-----	-----	-----	-----	-----	314,714,980	-----	314,948,180
210	Hastings College of the Law.....	665,412	-----	665,412	809,779	-----	809,779	31,000	-----	31,000
212	State Colleges—Program Augmentation.....	-----	-----	-----	-----	-----	-----	998,974	-----	998,974
212	State Colleges—Additional Enrollment.....	-----	-----	-----	-----	-----	-----	1,278,927	-----	1,278,927
212	State Colleges.....	192,689,645	254,869	192,944,514	572,182	-----	572,182	273,554,809	3,195,011	276,749,820
318	Maritime Academy—Program Augmentation.....	-----	-----	-----	238,805,384	2,457,016	241,262,400	89,000	-----	89,000
318	Maritime Academy.....	622,830	-----	622,830	711,676	-----	711,676	714,920	-----	714,920
320	Board of Governors of the California Community Colleges.....	3,575	-----	3,575	609,116	-----	609,116	756,894	-----	756,894
322	State Scholarship and Loan Commission—Program Augmentation.....	-----	-----	-----	-----	-----	-----	1,000,000	-----	1,000,000
322	State Scholarship and Loan Commission.....	5,345,966	-----	5,345,966	8,839,505	-----	8,839,505	12,924,989	-----	12,924,989
	Totals, Higher Education.....	\$443,602,627	\$521,369	\$444,123,996	\$541,957,797	\$2,690,216	\$544,648,013	\$607,900,858	\$3,428,211	\$611,329,069
Fiscal Affairs:										
325	Board of Control.....	\$106,318	-----	\$106,318	\$106,637	-----	\$106,637	\$121,636	-----	\$121,636
326	State Controller.....	4,978,054	\$1,233,158	6,211,212	5,717,896	\$1,401,934	7,119,830	5,724,086	\$1,156,379	6,880,465
332	Board of Equalization.....	19,134,787	3,925,854	23,060,641	22,985,562	2,428,050	25,413,612	23,631,577	2,293,050	25,924,627
337	Department of Finance—Program Augmentation.....	-----	-----	-----	-----	-----	-----	100,000	-----	100,000
337	Department of Finance.....	3,559,165	100,714	3,659,879	3,869,163	111,095	3,980,258	4,184,223	111,095	4,295,318
342	Franchise Tax Board—Program Augmentation.....	-----	-----	-----	-----	-----	-----	24,000	-----	24,000
342	Franchise Tax Board.....	12,657,199	2,200,000	14,857,199	16,497,440	-----	16,497,440	17,456,561	-----	17,456,561
347	Department of Housing and Community Development.....	1,758,796	-----	1,758,796	1,894,555	-----	1,894,555	2,046,761	-----	2,046,761
348	State Treasurer.....	525,041	-----	525,041	611,684	-----	611,684	689,408	-----	689,408

<sup>1</sup> Refers to page number in the "Traditional Detail for the Support and Local Assistance Budget".



# Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page <sup>1</sup> Ref- er- ence	Organization Unit	Actual 1967-68			Estimated 1968-69			Estimated 1969-70			
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total	
STATE OPERATIONS—Continued											
Fiscal Affairs—Continued											
State Treasurer—Bond Funds*											
348	Totale, Fiscal Affairs Bond Funds	\$42,719,360	\$ 7,459,726 (36,204)	\$50,179,086 (36,204)	\$51,682,937	\$3,941,070 (35,482)	\$55,624,016 (35,482)	\$53,978,252	\$3,500,524 (16,166)	\$57,538,776 (16,166)	
Health and Welfare:											
350	Human Relations Special Services	\$37,500		\$37,500							
Department of Human Resources Development:											
360	California Commission on Aging—Program Augmentation										
360	California Commission on Aging— Department of Employment:	120,333		120,333	\$121,721		\$121,721	\$25,000		\$25,000	
362	Work Incentive Program		\$651,151	651,151	3,300,000		3,300,000	3,300,000		3,300,000	
375	Department of Employment					\$555,185	555,185		\$577,956	577,956	
375	Office of Economic Opportunity—Program Augmentation							97,500		97,500	
375	Office of Economic Opportunity	30,715		30,715	54,368		54,368	57,225		57,225	
375	Migrant Master Plan	202,922		202,922	198,735		198,735	249,735		249,735	
378	Service Center Program—Program Augmentation							447,415		447,415	
378	Service Center Program	423,937		423,937	4,632,451	259,696	4,892,147	4,511,214	265,706	4,776,920	
	Totale, Department of Human Resources Development	\$777,907	\$651,151	\$1,429,058	\$8,307,275	\$844,881	\$9,152,156	\$8,817,445	\$843,662	\$9,661,107	
384	Advisory Commission on Indian Affairs	\$32,193		\$32,193	\$48,003		\$48,003	\$14,447		\$14,447	
385	Job Development Corporation Law Executive Board				230,363		230,363	446,422		446,422	
385	California Job Training and Placement Council		41,743	41,743		33,728	33,728				
Department of Mental Hygiene:											
387	Department of Mental Hygiene—Program Augmentation										
392	Departmental Administration	6,355,360		6,355,360	7,069,656		7,069,656	3,569,890		3,569,890	
402	Neuropsychiatric Institutes	8,837,721		8,837,721	11,737,443		11,737,443	8,432,041		8,432,041	
404	Hospitals for Mentally Ill	122,733,013		122,733,013	127,513,940		127,513,940	13,168,380		13,168,380	
408	Hospitals for Mentally Retarded	54,159,910		54,159,910	60,335,390		60,335,390	30,589,976		30,589,976	
	Totale, Department of Mental Hygiene	\$192,086,004		\$192,086,004	\$206,656,429		\$206,656,429	61,881,497		61,881,497	
								\$117,641,784		\$117,641,784	
410	Department of Public Health—Program Augmentation										
410	Department of Public Health	\$11,804,418		\$11,804,418	\$12,141,983		\$12,141,983	\$834,821		\$834,821	
426	Department of Rehabilitation	7,327,290		7,327,290	4,521,293		4,521,293	12,088,806	\$64,795	12,153,601	
454	Department of Social Welfare—Program Augmentation							4,161,507		4,161,507	
454	Department of Social Welfare	13,502,647		13,502,647	15,898,841		15,898,841	126,500		126,500	
	Totale, Health and Welfare	\$225,567,959	\$692,894	\$226,260,853	\$247,804,187	\$878,609	\$248,682,796	16,740,093	\$908,457	\$161,780,282	
Industrial Relations:											
462	Department of Industrial Relations—Program Augmentation										
462	Department of Industrial Relations	\$20,417,380	\$52,000	\$20,469,380	\$22,148,130		\$22,148,130	\$82,308		\$82,308	
469	State Fire Marshal	855,327	112,500	967,827	939,339	121,200	1,060,539	22,632,842		22,632,842	
470	Workmen's Compensation Benefits for Subsequent Injuries	1,189,588		1,189,588	1,362,000		1,362,000	969,310	121,400	1,090,710	
	Totale, Industrial Relations	\$22,462,295	\$164,500	\$22,626,795	\$24,449,469	\$121,200	\$24,570,669	1,444,000	\$121,400	\$25,249,860	

\* Preparing and advertising bonds for sale. Expenditures from bond funds not included in overall budget totals.  
 1 Refers to page number in the "Traditional Detail for the Support and Local Assistance Budget".

# Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page <sup>1</sup> Ref- er- ence	Organization Unit	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
	<b>Justice:</b>									
	STATE OPERATIONS—Continued									
471	Department of Justice—Program Augmentation.....									
471	Department of Justice.....	\$15,721,878		\$15,721,878	\$17,705,877	\$1,183,722	\$18,889,599	\$1,670,458	\$346,308	\$2,016,766
481	Commission on Peace Officer Standards and Training.....		\$112,942	112,942		256,957	256,957	18,371,161	2,344,069	20,715,230
483	California Council on Criminal Justice.....				75,000		75,000	75,000	374,485	374,485
484	California Crime Technological Research Foundation.....				75,000		75,000	75,000		75,000
484	Administration and Payment of Tort Liability Claims.....	555,916	7,164	563,080	1,321,354		1,321,354	2,219,262		2,219,262
485	Aid to Victims of Crime of Violence.....	15,414	6,997	22,411	100,000	5,374	105,374	125,000	2,000	127,000
	<b>Totals, Justice.....</b>	\$16,293,208	\$127,103	\$16,420,311	\$19,277,231	\$1,446,053	\$20,723,284	\$22,535,881	\$3,066,862	\$25,602,743
	<b>Military Affairs:</b>									
486	Military Department—Program Augmentation.....							\$75,243		\$75,243
486	Military Department.....	\$3,745,427		\$3,745,427	\$4,276,598		\$4,276,598	4,544,449		4,544,449
	<b>Totals, Military Department.....</b>	\$3,745,427		\$3,745,427	\$4,276,598		\$4,276,598	\$4,619,692		\$4,619,692
	<b>Regulation and Licensing:</b>									
492	Department of Alcoholic Beverage Control.....	\$5,311,536		\$5,311,536	\$5,632,206		\$5,632,206	\$5,850,159		\$5,850,159
493	Alcoholic Beverage Control Appeals Board.....	125,688		125,688	130,892		130,892	135,268		135,268
494	Banking Department.....		\$1,258,160	1,258,160	75,000	\$1,336,545	1,411,545	75,000	\$1,340,197	1,415,197
496	Department of Corporations.....	3,034,395		3,034,395	3,381,819		3,381,819	3,054,310		3,054,310
498	District Securities Commission.....	154,468		154,468	187,819		187,819	219,936		219,936
499	Horse Racing Board.....	27,418	238,089	265,507		316,551	316,551	334,345		334,345
501	Department of Insurance.....	107,164	3,710,414	3,817,578	3,748,720	350,870	4,099,590	4,216,041		4,216,041
505	Board of Pilot Commissioners for Harbor of San Diego.....	1,075		1,075	1,200		1,200	1,200		1,200
505	Board of Pilot Commissioners for Bay of San Francisco, San Pablo and Suisun.....		26,641	26,641		29,371	29,371	27,472		27,472
507	Board of Pilot Commissioners for Humboldt Bay.....	2,800		2,800	2,940		2,940	2,940		2,940
	<b>Department of Professional and Vocational Standards:</b>									
512	Board of Accountancy.....		278,350	278,350		340,888	340,888	359,759		359,759
513	Board of Architectural Examiners.....		100,016	100,016		143,054	143,054	146,776		146,776
514	Athletic Commission.....	90,589		90,589	163,864		163,864	177,607		177,607
515	Board of Barber Examiners.....		385,003	385,003		463,332	463,332	472,236		472,236
517	Cemetery Board.....		69,151	69,151		74,781	74,781	76,429		76,429
518	Board of Chiropractic Examiners.....		91,188	91,188		105,957	105,957	106,122		106,122
519	Collection Agency Licensing Bureau.....		156,992	156,992		205,718	205,718	213,004		213,004
520	Contractor's License Board.....		2,228,122	2,228,122		2,464,231	2,464,231	2,513,728		2,513,728
521	Board of Cosmetology.....		721,498	721,498		926,534	926,534	816,750		816,750
523	Board of Dental Examiners.....		189,686	189,686		209,927	209,927	237,380		237,380
524	Board of Dry Cleaners.....		314,511	314,511		355,292	355,292	347,884		347,884
525	Bureau of Electronic Repair Dealer Registration.....		245,203	245,203		269,611	269,611	274,537		274,537
526	Bureau of Employment Agencies.....	62,525		62,525		114,669	114,669	143,290		143,290
527	Board of Funeral Directors and Embalmers.....		99,318	99,318		110,049	110,049	110,146		110,146
528	Bureau of Furniture and Bedding Inspection.....		294,217	294,217		381,205	381,205	467,214		467,214
530	Board of Registration for Geologists.....					49,000	49,000	55,449		55,449
531	Board of Guide Dogs for the Blind.....	960		960	2,373		2,373	2,783		2,783
531	Board of Landscape Architects.....		30,664	30,664		36,968	36,968	38,981		38,981
533	Board of Medical Examiners.....		849,088	849,088		1,060,733	1,060,733	1,029,875		1,029,875
537	Board of Nursing Education and Nurse Registration.....		562,744	562,744		631,753	631,753	669,712		669,712
539	Board of Optometry.....		81,494	81,494		79,683	79,683	80,888		80,888
540	Board of Osteopathic Examiners.....		9,208	9,208		9,505	9,505	9,794		9,794
541	Board of Pharmacy—Program Augmentation.....							25,942		25,942

<sup>1</sup> Refers to page number in the "Traditional Detail for the Support and Local Assistance Budget".



# Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page <sup>1</sup> Ref- er- ence	Organization Unit	Actual 1967-68			Estimated 1968-69			Estimated 1969-70			
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total	
STATE OPERATIONS—Continued											
Regulation and Licensing—Continued											
Department of Professional and Vocational Standards											
—Continued											
541	Board of Pharmacy		561,092	561,092		599,155	599,155		634,691	634,691	
542	Board of Private Investigators and Adjusters		104,006	104,006		112,441	112,441		116,268	116,268	
543	Board of Registration for Professional Engineers—Program Augmentation								15,000	15,000	
543	Board of Registration for Professional Engineers		556,521	556,521		665,795	665,795		663,542	663,542	
545	Certified Shorthand Reporters Board		30,090	30,090		37,828	37,828		36,215	36,215	
547	Social Worker and Marriage Counselor Qualification Board		53,487	53,487		68,789	68,789		68,495	68,495	
549	Structural Pest Control Board		450,291	450,291		549,134	549,134		541,726	541,726	
550	Board of Examiners in Veterinary Medicine		73,925	73,925		80,955	80,955		84,597	84,597	
552	Board of Vocational Nurse Examiners and Psychiatric Technol- ogian Examiners		241,743	241,743		302,853	302,853		297,647	297,647	
555	Yacht and Ship Brokers Commission		28,171	28,171		12,470	12,470				
Totals, Department of Professional and Vocational Standards		\$154,074	\$8,805,779	\$8,959,853	\$166,237	\$10,462,310	\$10,628,547	\$180,390	\$10,654,077	\$10,834,467	
556	Public Utilities Commission	\$5,789,235	\$4,798,582	\$10,587,817	\$6,144,854	\$5,436,695	\$11,581,549	\$6,731,185	\$5,331,870	\$12,063,055	
560	Department of Real Estate		3,188,924	3,188,924		3,375,903	3,375,903		3,374,826	3,374,826	
562	Department of Savings and Lono		2,583,623	2,583,623		2,722,955	2,722,955		2,797,368	2,797,368	
Totals, Regulation and Licensing		\$14,707,853	\$24,610,212	\$39,318,065	\$19,471,687	\$24,031,200	\$43,502,887	\$20,466,429	\$23,860,155	\$44,326,584	
Resources:											
564	Department of Conservation—Program Augmentation									\$453,873	
564	Department of Conservation	\$36,354,002	\$1,147,384	\$37,501,386	\$39,229,706	\$1,242,764	\$40,472,470	39,336,704	\$1,272,696	40,609,400	
578	State Lands Division—Program Augmentation									64,075	
578	State Lands Division	1,416,921		1,416,921	1,590,254		1,590,254	1,758,854		1,758,854	
581	Department of Fish and Game—Program Augmentation								140,000	140,000	
581	Department of Fish and Game		13,014,912	13,014,912		14,699,286	14,699,286		15,904,663	15,904,663	
609	Marine Research Committee		21,134	21,134		53,700	53,700		67,500	67,500	
610	Wildlife Conservation Board		92,254	92,254		104,027	104,027		116,050	116,050	
611	Department of Harbors and Watercraft	5,202		5,202	5,202	18,274	23,470	5,202	30,620	35,822	
613	Department of Parks and Recreation—Program Augmentation								494,859	494,859	
613	Department of Parks and Recreation	15,057,323		15,057,323	16,781,035		16,781,035	18,084,552		18,084,552	
622	Department of Water Resources—Program Augmentation								400,000	400,000	
623	Department of Water Resources	10,047,152		10,047,152	11,086,699		11,086,699	10,526,680		10,526,680	
624	Air Resources Board	495,036		495,036	615,588		615,588	679,305	1,236,928	1,916,233	
627	State Water Resources Control Board—Program Augmentation									300,000	
627	State Water Resources Control Board	3,680,906		3,680,906	2,986,153		2,986,153	2,742,184		2,742,184	
632	Office of Nuclear Energy	42,589		42,589	43,069		43,069	46,688		46,688	
634	Colorado River Board	259,996		259,996	276,098		276,098	289,426		289,426	
635	Goose Lake Compact Commission				2,000		2,000				
635	California Advisory Committee	3,313		3,313	6,000		6,000	6,000		6,000	
636	Klamath River Compact Commission							7,575		7,575	
636	California-Nevada Interstate Compact Commission	13,008		13,008	27,000		27,000	15,600		15,600	
637	San Francisco Bay Conservation and Development Commission										
	—Program Augmentation							77,785		77,785	

<sup>1</sup> Refers to page number in the "Traditional Detail for the Support and Local Assistance Budget".

# Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page <sup>1</sup> Ref- er- ence	Organization Unit	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
STATE OPERATIONS—Continued										
Resources—Continued										
637	San Francisco Bay Conservation and Development Commission.	224,174		224,174	229,040		229,040	98,103		98,103
639	Special Resources Services and Studies.	63		63	45,000		45,000	197,768	24,397	222,165
	Totals, Resources.	\$67,599,685	\$14,275,684	\$81,875,369	\$72,922,844	\$17,439,056	\$90,361,900	\$75,585,233	\$18,792,854	\$94,378,087
Transportation:										
641	Department of Aeronautics.		\$237,674	\$237,674		\$754,452	\$754,452		\$751,221	\$751,221
643	Business and Transportation: Special Transportation Services and Studies.		166,773	166,773		162,354	162,354			
645	Department of the California Highway Patrol.		76,269,858	76,269,858		98,242,671	98,242,671		169,591	169,591
645	Vehicle Equipment Safety Commission.		6,356	6,356		8,835	8,835		113,857,689	113,857,689
651	Department of Motor Vehicles.		53,604,120	53,604,120		61,168,915	61,168,915		8,835	8,835
659	Department of Public Works.		93,459,082	93,459,082		98,643,456	98,643,456		64,669,768	64,669,768
664	Folsom Lake Bridge Authority.				\$6,300		6,300		102,496,027	102,496,027
	Totals, Transportation.		\$223,743,863	\$223,743,863	\$6,300	\$258,980,683	\$258,986,983		\$281,953,131	\$281,953,131
Veterans Affairs:										
665	Department of Veterans Affairs									
670	General Activities.	\$3,062,690		\$3,062,690	\$3,117,361		\$3,117,361	\$3,117,162		\$3,117,162
670	Veterans' Home of California—Program Augmentation.							407,345		407,345
673	Veterans' Home of California.	4,813,311		4,813,311	4,813,920		4,813,920	4,582,386		4,582,386
	United Spanish War Veterans Commission.	3,407		3,407				3,600		3,600
	Totals, Veterans Affairs.	\$7,879,408		\$7,879,408	\$7,931,281		\$7,931,281	\$8,110,493		\$8,110,493
Miscellaneous:										
675	Advisory Commission on the Status of Women.	\$33,038		\$33,038	\$44,210		\$44,210			
675	California Arts Commission.	146,999		146,999	161,709		161,709	\$167,330		\$167,330
677	California Bicentennial Celebration Commission.	25,000		25,000						
678	Commission of the California.	31,095		31,095	34,917		34,917	35,530		35,530
679	Colorado River Boundary Commission.	1,000		1,000						
679	Personal Services Not Elsewhere Reported.	1,040,074		1,040,074	1,286,880		1,286,880	1,593,276		1,593,276
680	Refunds of Taxes, Licenses, and Other Fees.	20,600		20,600	20,000		20,000	20,000		20,000
680	Commission on the Los Angeles Riot.	7,004		7,004						
	Totals, Miscellaneous.	\$1,304,810		\$1,304,810	\$1,547,716		\$1,547,716	\$1,816,136		\$1,816,136
Debt Service:										
681	Bond Interest and Redemption.	\$67,330,549		\$67,330,549	\$78,171,414		\$78,171,414	\$92,207,943		\$92,207,943
682	Payment of Interest on General Fund Loans.	12,831,015		12,831,015	2,324,000		2,324,000	3,000,000		3,000,000
	Totals, Debt Service.	\$80,161,564		\$80,161,564	\$80,495,414		\$80,495,414	\$95,207,943		\$95,207,943
Unallocated:										
683	Augmentations for Salary Increases.				\$855,000		\$855,000	\$58,041,430	\$20,866,305	\$78,907,735
686	Reserve for Contingencies.				589,645		589,645	1,000,000		1,000,000

<sup>1</sup> Refers to page number in this "Traditional Detail for the Support and Local Assistance Budget".



### Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Organization Unit	Page <sup>1</sup> Ref- er- ence	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
STATE OPERATIONS—Continued										
Unallocated—Continued										
Legislative Claims-----	691	\$101,661	\$17,949	\$119,610	462,152	123,692 (36,494)	585,844 (36,494)	82,695	38,595 (8,225)	121,290 (8,225)
Legislative Claims—Bond Funds <sup>a</sup> -----	691									
Totals, Unallocated-----		\$101,661	\$17,949	\$119,610	\$1,906,797	\$127,692 (36,494)	\$2,034,489 (36,494)	\$59,124,125	\$20,904,900 (8,225)	\$80,029,025 (8,225)
Credits to General Fund for Overhead Services Charged to Agencies Supported from Special Funds-----										
Estimated Unidentifiable Savings-----		—\$8,027,113		—\$8,027,113	—\$9,000,000 —2,500,000		—\$9,000,000 —2,500,000	—\$9,300,000 —7,500,000		—\$9,300,000 —7,500,000
TOTALS, STATE OPERATIONS-----		\$1,109,227,642	\$286,310,053	\$1,395,537,695 (36,204)	\$1,275,924,768	\$330,508,475 (71,976)	\$1,606,433,243 (71,976)	\$1,345,933,105	\$375,901,447 (24,391)	\$1,721,834,552 (24,391)
Bond Funds <sup>a</sup> -----										

<sup>1</sup> Refers to page number in the "Traditional Detail for the Support and Local Assistance Budget".

<sup>b</sup> Legislative claims from bond funds. Expenditures from bond funds not included in overall budget totals.

<sup>c</sup> Expenditures from bond funds not included in overall budget totals.

# Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page <sup>1</sup> Ref- er- ence	Organization Unit	Actual 1967-68			Estimated 1968-69			Estimated 1969-70			
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total	
LOCAL ASSISTANCE											
Subventions:											
Agriculture:											
693	Assistance to County Agricultural Fairs and Citrus Fruit Fairs.	—\$185,900	\$3,429,294	\$3,243,394	—\$243,400	\$3,156,900	\$2,913,500	—\$192,500	\$2,540,200	\$2,347,700	
694	Salaries of County Agricultural Commissioners.	170,115	-----	170,115	171,600	-----	171,600	171,600	-----	171,600	
694	Assistance to Cities and Counties for Land under Contract.	-----	-----	-----	446	-----	446	446	-----	446	
	Totals, Agriculture.	—\$15,785	\$3,429,294	\$3,413,509	—\$71,354	\$3,156,900	\$3,085,546	—\$20,454	\$2,540,200	\$2,519,746	
Corrections:											
695	Assistance for Control of Juveniles—Program Augmentation.	-----	-----	-----	-----	-----	-----	52,280	-----	52,280	
695	Assistance to County Delinquency Prevention Commission—Program Augmentation.	-----	-----	-----	-----	-----	-----	200,000	-----	200,000	
695	Assistance to Counties for Maintenance of Juvenile Homes and Camps.	\$3,118,305	-----	\$3,118,305	\$3,242,000	-----	\$3,242,000	\$3,545,340	-----	\$3,545,340	
696	Assistance to Counties for Construction of Juvenile Homes and Camps.	686,611	-----	686,611	474,000	-----	474,000	1,289,075	-----	1,289,075	
696	Assistance for Control of Juveniles.	45,500	-----	45,500	55,330	-----	55,330	52,280	-----	52,280	
696	Assistance to County Delinquency Prevention Commissions.	14,867	-----	14,867	25,000	-----	25,000	29,000	-----	29,000	
696	Assistance to Counties for Pilot Community Youth Center Program.	-----	-----	-----	100,000	-----	100,000	100,000	-----	100,000	
696	Assistance to Counties for Construction of Border Check Stations.	-----	-----	-----	10,000	-----	10,000	90,000	-----	90,000	
697	Assistance to Counties for Special Supervision Programs.	3,599,128	-----	3,599,128	7,465,735	-----	7,465,735	12,760,000	-----	12,760,000	
	Totals, Corrections.	\$7,464,411	-----	\$7,464,411	\$11,372,065	-----	\$11,372,065	\$18,117,975	-----	\$18,117,975	
Education:											
699	Apportionments for Public Schools—Program Augmentation.	-----	-----	-----	-----	-----	-----	-----	-----	-----	
699	Apportionments for Public Schools.	\$1,268,808,789	\$3,124,688	\$1,271,933,477	\$1,281,574,000	\$4,874,954	\$1,286,443,954	\$96,000,000	-----	\$96,000,000	
701	Assistance for School District Organization.	100,000	-----	100,000	-----	-----	-----	1,296,243,600	\$3,325,000	1,299,568,600	
701	Cooperative Improvement Program.	-----	-----	-----	275,000	-----	275,000	275,000	-----	275,000	
702	Instructional Television.	647,018	-----	647,018	750,000	-----	750,000	850,000	-----	850,000	
702	Assistance to New Junior Colleges.	1,774,486	-----	1,774,486	4,304,841	-----	4,304,841	2,000,000	-----	2,000,000	
702	Special Elementary School Reading Instruction Program.	7,649,621	-----	7,649,621	16,000,000	-----	16,000,000	16,000,000	-----	16,000,000	
702	Mathematics Improvement Program.	-----	-----	-----	925,000	-----	925,000	925,000	-----	925,000	
703	Compensatory Education—Program Augmentation.	-----	-----	-----	-----	-----	-----	9,500,000	-----	9,500,000	
703	Compensatory Education.	8,887,008	-----	8,887,008	11,000,000	-----	11,000,000	1,500,000	-----	1,500,000	
703	Children's Centers.	14,467,732	-----	14,467,732	17,446,702	-----	17,446,702	18,446,702	-----	18,446,702	
704	Contributions to Teachers' Retirement Fund.	61,500,000	-----	61,500,000	71,500,000	-----	71,500,000	79,000,000	-----	79,000,000	
705	Grants to Teachers of Physically Handicapped Minors.	125,627	-----	125,627	150,000	-----	150,000	150,000	-----	150,000	
705	Debt Service on Public School Building Bonds.	53,175,487	-----	53,175,487	53,616,062	-----	53,616,062	55,061,556	-----	55,061,556	
709	Free Textbooks.	19,145,555	-----	19,145,555	21,001,430	-----	21,001,430	21,396,243	-----	21,396,243	
710	Assistance to Public Libraries.	800,000	-----	800,000	1,200,000	-----	1,200,000	1,200,000	-----	1,200,000	
710	School Building Construction.	-----	-----	-----	-----	33,358	33,358	-----	-----	-----	
711	Vocational Education—Reimbursements to School Districts.	917,904	—297	917,904	1,080,271	-----	1,080,271	1,330,271	-----	1,330,271	
	Totals, Education.	\$1,437,999,227	\$3,124,391	\$1,441,123,618	\$1,480,823,306	\$4,908,312	\$1,485,731,618	\$1,599,878,372	\$3,325,000	\$1,603,203,372	
Health and Welfare:											
713	Medical Fee and Related Services Cost Increase.	-----	-----	-----	-----	-----	-----	-----	-----	-----	
716	Department of Health Care Services—Program Augmentation.	-----	-----	-----	-----	-----	-----	\$10,000,000	-----	\$10,000,000	
716	Department of Health Care Services.	\$208,086,833	-----	\$208,086,833	\$336,000,000	-----	\$336,000,000	27,403	-----	27,403	
	Totals, Health and Welfare.	\$208,086,833	-----	\$208,086,833	\$336,000,000	-----	\$336,000,000	383,368,390	-----	383,368,390	

<sup>1</sup> Refers to page number in this "Traditional Detail for the Support and Local Assistance Budget".



**Schedule 3--COMPARATIVE STATEMENT OF EXPENDITURES--Continued**

Page <sup>1</sup> Ref- er- ence	Organization Unit	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
	<b>LOCAL ASSISTANCE--Continued</b>									
	<b>Health and Welfare--Continued</b>									
	Mental Hygiene:									
	Assistance to Local Agencies for Mental Health Services.....	24,666,129		24,666,129	30,625,000		30,625,000	147,465,647		147,465,647
	<b>Public Health:</b>									
	Assistance to Counties for Care of Crippled Children.....	9,598,205		9,598,205	11,653,609		11,653,609	15,322,550		15,322,550
	Assistance to Counties for Tuberculosis Sanatoria.....	2,203,436		2,203,436	2,499,997		2,499,997	2,536,780		2,536,780
	Assistance to Counties without Local Health Departments.....	557,384		557,384	645,418		645,418	659,785		659,785
	Assistance to Local Health Departments.....	4,605,777		4,605,777	4,701,076		4,701,076	4,743,172		4,743,172
	Assistance to Local Agencies for Treatment of Physically Handicapped Children.....	2,364,192		2,364,192	2,794,000		2,794,000			
	Assistance to Local Agencies for Alcoholism Programs.....	149,961		149,961						
	Assistance to Local Agencies for Mental Retardation Services.....	1,513,000		1,513,000	2,292,570		2,292,570	4,896,718		4,896,718
	Assistance to Local and Nonprofit Agencies for Hospital Con- attribution.....	16,999,159		16,999,159						
	<b>Totals, Public Health.....</b>	<b>\$37,991,114</b>		<b>\$37,991,114</b>	<b>\$43,870,252</b>		<b>\$43,870,252</b>	<b>\$28,150,005</b>		<b>\$28,150,005</b>
	<b>Social Welfare:</b>									
	Public Assistance Programs:									
	Unmet Shelter Needs--Program Augmentation.....							\$1,500,000		\$1,500,000
	Aid to Blind.....	\$7,792,770		\$7,792,770	\$8,364,500		\$8,364,500	\$874,300		\$874,300
	Aid to Disabled.....	75,134,590		75,134,590	89,992,200		89,992,200	102,965,200		102,965,200
	Aid to Families with Dependent Children.....	157,892,664		157,892,664	198,609,200		198,609,200	255,757,600		255,757,600
	Old Age Security.....	152,862,056		152,862,056	163,451,300		163,451,300	173,098,600		173,098,600
	Unmet Shelter Needs.....				1,000,000		\$500,000			
	<b>Totals, Public Assistance Program--Assistance.....</b>	<b>\$393,682,080</b>		<b>\$393,682,080</b>	<b>\$461,417,200</b>		<b>\$461,917,200</b>	<b>\$542,195,700</b>		<b>\$542,195,700</b>
	Work Incentive Program--Administration.....				441,343		441,343	731,031		731,031
	Special Social Service Program--Program Augmentation.....							374,500		374,500
	Special Social Service Program.....	15,096,528		15,096,528	17,326,980		17,326,980	18,658,418		18,658,418
	<b>Totals, Social Welfare.....</b>	<b>\$408,778,608</b>		<b>\$408,778,608</b>	<b>\$479,185,523</b>		<b>\$479,685,523</b>	<b>\$561,959,649</b>		<b>\$561,959,649</b>
	<b>Totals, Health and Welfare.....</b>	<b>\$679,522,684</b>		<b>\$679,522,684</b>	<b>\$889,680,775</b>		<b>\$889,180,775</b>	<b>\$1,130,980,094</b>		<b>\$1,130,980,094</b>
	<b>Resources:</b>									
	Flood Control:									
	Department of Water Resources Projects.....	\$11,250,000		\$11,250,000	\$13,000,000		\$13,000,000	\$10,300,000		\$10,300,000
	Beach Erosion Control.....	115,500		115,500	105,400		105,400	362,500		362,500
	Assistance for Construction of Sewerage and Storm Drainage Facilities.....	1,776,998		1,776,998						
	Grants to Local Governments for Recreation <sup>a</sup> .....		(\$9,241,158)	1,776,998 (9,241,158)		(\$2,651,062)	(2,651,062)		\$ (7,328,975)	(7,328,975)
	State Financial Assistance to Local Agencies for Small Craft Harbors.....	2,899,974	3,818,562	918,588		3,908,000	3,908,000	280,597	4,000,000	3,719,403
	Grants to Soil Conservation Districts.....	20,500		20,500						
	<b>Totals, Resources.....</b>	<b>\$10,263,024</b>	<b>\$3,818,562</b> <b>(9,241,158)</b>	<b>\$14,081,586</b> <b>(9,241,158)</b>	<b>\$11,328,402</b>		<b>\$15,236,402</b> <b>(2,651,062)</b>	<b>\$10,381,903</b>	<b>\$4,000,000</b> <b>(7,328,975)</b>	<b>\$14,381,903</b> <b>(7,328,975)</b>

<sup>1</sup> Refers to page number in the "Traditional Detail for the Support and Local Assistance Budget".

<sup>a</sup> From this State Beach, Park, Recreational and Historical Facilities Fund.

**Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued**

Page <sup>1</sup> Ref- er- ence	Organization Unit	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
LOCAL ASSISTANCE—Continued										
Transportation:										
783	Airport Assistance.....		\$1,176,988	\$1,176,988		\$1,600,767	\$1,600,767		\$1,618,213	\$1,618,213
788	Local Roads and Highways.....		7,052,618	7,052,618		9,114,851	9,114,851		9,497,000	9,497,000
788	Grade Crossing Protection Works.....		5,426,610	5,426,610		6,539,855	6,539,855		6,540,000	6,540,000
789	Southern California Rapid Transit District.....	\$1,626,000		1,626,000	\$1,159,921		1,159,921			
789	San Francisco-Oakland Southern Crossing.....					1,140,000	1,140,000		2,450,000	2,450,000
	Totals, Transportation.....	\$1,626,000	\$13,656,216	\$15,282,216	\$1,159,921	\$18,395,473	\$19,555,394		\$20,105,213	\$20,105,213
Property Tax Relief:										
790	Senior Citizens Property Tax Assistance.....				7,700,000		7,700,000	8,500,000		8,500,000
790	Personal Property Tax Relief.....				42,428,571		42,428,571	38,500,000	4,518,654	43,018,654
791	Homeowner's Property Tax Relief.....				183,750,000		183,750,000	179,300,000	3,700,000	183,000,000
	Total, Property Tax Relief.....				\$233,878,571		\$187,000,000	\$226,300,000	\$8,218,654	\$234,518,654
Other Purposes:										
792	Salaries of Superior Court Judges.....	\$6,127,068		\$6,127,068	\$8,306,466		\$8,306,466	\$8,777,376		\$8,777,376
792	Contribution to Judges' Retirement Fund.....	2,077,770		2,077,770	2,851,112		2,851,112	2,836,514		2,836,514
793	Workmen's Compensation for Disaster Service Workers.....	38,164		38,164	49,000		49,000	51,000		51,000
	Assistance to Cities and Counties for Peace Officers' Standards and Training.....		\$1,596,062	1,596,062		\$3,948,300	3,948,300		\$4,927,400	4,927,400
793	Assistance to Counties for Public Defenders.....	600,000		600,000	775,000		775,000	775,000		775,000
794	Storm and Flood Damage Repair.....	498,983	462,917	961,900		133,147	133,147		— 658,368	— 658,368
795	Earthquake Damage Repair.....	— 114,523		— 114,523				— 116,952		— 116,952
	Totals, Other Purposes.....	\$9,227,462	\$2,058,979	\$11,286,441	\$11,867,055	\$4,081,447	\$15,948,502	\$12,222,938	\$4,269,032	\$16,591,970
Totals, Subventions.....										
	Grants to Local Governments from Bond Funds <sup>a</sup> .....	\$2,146,087,023	\$26,087,442	\$2,172,174,465	\$2,040,038,741	\$— 11,928,439	\$2,028,110,302	\$2,097,960,828	\$42,458,099	\$3,040,418,927
			(9,241,158)	(9,241,158)		(2,651,062)	(2,651,062)		(7,328,975)	(7,328,975)
Shared Revenue:										
For General Government:										
796	Apportionment of Liquor License Fees.....									
796	Apportionment of Motor Vehicle License Fees.....		\$12,059,888	\$12,059,888		\$11,900,000	\$11,900,000		\$12,500,000	\$12,500,000
796	Apportionment of Cigarette Tax.....		196,365,525	196,365,525		211,600,000	211,600,000		222,800,000	222,800,000
796	Apportionment of Highway Properties Rental Receipts.....		45,813,613	45,813,613		70,509,842	70,509,842		72,600,000	72,600,000
	Totals, General Government.....		\$254,938,438	\$254,938,438		1,258,973	1,258,973		1,300,000	1,300,000
						\$295,268,815	\$295,268,815		\$309,200,000	\$309,200,000
For Cities and Counties Tideland Development:										
797	Apportionment of Tideland Revenue.....	\$245,251		\$245,251	\$200,000		\$200,000	\$200,000		\$200,000
For County Roads:										
797	Apportionment of Motor Vehicle Fuel Tax.....		\$123,958,201	123,958,201		\$130,200,000	130,200,000		\$136,200,000	136,200,000
For City Streets:										
797	Apportionment of Motor Vehicle Fuel Tax.....		85,658,898	85,658,898		59,694,079	59,694,079		62,300,000	62,300,000
For County Roads and City Streets:										
797	Apportionment of Motor Vehicle Fuel Tax.....		79,723,127	79,723,127		83,300,000	83,300,000		87,100,000	87,100,000
	Totals, Shared Revenues.....	\$245,251	\$544,278,664	\$544,523,915	\$200,000	\$568,462,894	\$568,662,894	\$200,000	\$594,800,000	\$595,000,000
TOTALS, LOCAL ASSISTANCE.....										
	Grants to Local Governments from Bond Funds <sup>a</sup> .....	\$2,146,332,274	\$570,366,106	\$2,716,698,380	\$2,640,238,741	\$556,534,455	\$3,196,773,196	\$2,998,160,828	\$637,258,099	\$3,635,418,927
			(9,241,158)	(9,241,158)		(2,651,062)	(2,651,062)		(7,328,975)	(7,328,975)

<sup>1</sup> Refers to page number in the "Traditional Detail for the Support and Local Assistance Budget".

<sup>a</sup> From the State Beach, Park, Recreational and Historical Facilities Fund.



**Schedule 3—COMPARATIVE STATEMENT OF EXPENDITURES—Continued**

Organization Unit	Page <sup>1</sup> Ref- er- ence	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
CAPITAL OUTLAYS <sup>b</sup>										
State Building Program-----	b	\$10,465,988	\$11,473,205 (101,573,385)	\$21,939,253 (101,573,385)	\$70,056,122	\$48,835,950 (100,701,957)	\$118,892,072 (100,701,957)	\$79,147,862	\$19,954,175 (40,828,725)	\$99,102,037 (40,828,725)
District Fair Construction Program-----	b	16,079	1,470,309	1,486,388	41,459	3,392,162	3,433,621	1,538,400	1,538,400	1,538,400
State Highway Program-----	b	-----	332,336,131	332,336,131	-----	513,080,763	513,080,763	-----	325,563,000	325,563,000
Wildlife Conservation Program-----	b	-----	1,834,495 (119,190)	1,834,495 (119,190)	-----	2,996,101 (1,952,821)	2,996,101 (1,952,821)	-----	3,971,025 (1,181,349)	3,971,025 (1,181,349)
Parks and Recreation Acquisition and Development Program-----	b	2,793,392	3,960	2,797,352	10,061,351	431,078	10,492,429	8,133,094	-----	8,133,694 (4,520,076)
California Water Facilities Program-----	b	3,973,919	(13,723,893) 7,775,290	(13,723,893) 11,749,209	3,391,172	(44,643,942) 78,789	(44,643,942) 3,469,961	3,375,202	-----	3,375,202 (372,812,165)
-----	b	-----	(345,090,828)	(345,090,828)	-----	(380,630,301)	(380,630,301)	-----	-----	-----
TOTALS, CAPITAL OUTLAY-----	b	\$17,249,378	\$351,893,450 (520,513,296)	\$372,142,828 (520,513,296)	\$83,550,104	\$568,823,843 (527,929,021)	\$652,373,947 (527,929,021)	\$90,656,758	\$351,027,200 (419,342,315)	\$441,683,958 (419,342,315)
TOTALS, EXPENDITURES:										
STATE OPERATIONS-----	-----	\$1,109,227,642	\$286,310,053 (36,204)	\$1,395,537,695 (36,204)	\$1,275,924,768	\$330,508,475 (71,976)	\$1,606,433,243 (71,976)	\$1,345,933,105	\$375,901,447 (24,391)	\$1,721,834,552 (24,391)
Bond Funds <sup>c</sup> -----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
LOCAL ASSISTANCE-----	-----	2,140,332,274	570,366,106 (9,241,158)	2,710,698,380 (9,241,158)	2,640,238,741	556,534,455 (2,651,062)	3,196,773,196 (2,651,062)	2,998,160,828	637,258,099 (7,328,975)	3,635,418,927 (7,328,975)
Bond Funds <sup>c</sup> -----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
CAPITAL OUTLAY-----	-----	17,249,378	354,893,450 (520,513,296)	372,142,828 (520,513,296)	83,550,104	508,823,843 (527,929,021)	652,373,947 (527,929,021)	90,656,758	351,027,200 (419,342,315)	441,683,958 (419,342,315)
Bond Funds <sup>c</sup> -----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
TOTALS, EXPENDITURES-----	-----	\$3,272,809,294	\$1,211,569,609 (529,790,058)	\$4,484,378,903 (529,790,658)	\$3,999,713,613	\$1,455,866,773 (530,652,059)	\$5,455,580,386 (530,652,059)	\$4,434,750,691	\$1,364,186,746 (420,695,681)	\$5,798,937,437 (420,695,681)
Bond Funds <sup>c</sup> -----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

<sup>1</sup> Refers to page number in the "Traditional Detail for the Support and Local Assistance Budget".

<sup>b</sup> See Capital Outlay Budget for details.

\* Expenditures from bond funds not included in overall budget totals.

## Schedule 3-A—Program Budget

COMPARATIVE STATEMENT OF EXPENDITURES BY FUNCTION, ORGANIZATION UNIT AND FUND  
FOR FISCAL YEARS 1967-68, 1968-69, AND 1969-70

Program Budget Page	ACTUAL 1967-68			ESTIMATED 1968-69			ESTIMATED 1969-70		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
<b>Legislative</b>									
1 Legislature	\$20,272,602	-\$2,809,284	\$17,463,318	\$21,784,046	\$1,307,659	\$23,092,305	\$23,743,827	-	\$23,743,827
1 Legislative Counsel Bureau	1,183,201	-	1,183,201	1,454,889	-	1,454,889	1,574,370	-	1,574,370
2 Law Revision Commission	126,230	-	126,230	159,069	-	159,069	163,922	-	163,922
3 Commission on Uniform State Laws	8,871	-	8,871	11,500	-	11,500	15,400	-	15,400
4 Contributions to Legislator's Retirement Fund	510,000	-	510,000	450,000	-	450,000	540,000	-	540,000
Totals, Legislative	\$22,100,904	-\$2,809,284	\$19,291,620	\$23,860,104	\$1,307,659	\$25,167,763	\$26,037,519	-	\$26,037,519
<b>Judicial</b>									
5 Supreme Court	1,328,717	-	1,328,717	1,518,026	-	1,518,026	1,725,037	-	1,725,037
7 Judicial Council	702,635	-	702,635	788,533	-	788,533	877,340	\$10,145	887,485
Commission on Judicial Qualifications	-	-	-	-	-	-	-	-	-
10 District Courts of Appeal	33,901	-	33,901	38,334	-	38,334	39,222	-	39,222
13 Contributions to Judges' Retirement Fund for Justices of the Supreme and Appellate Courts	3,259,025	-	3,259,025	4,320,239	-	4,320,239	4,886,495	-	4,886,495
16 Salaries of Superior Court Judges	111,680	-	111,680	149,488	-	149,488	154,183	-	154,183
16 Contributions to Judges Retirement Fund	6,127,068	-	6,127,068	8,306,466	-	8,306,466	8,777,376	-	8,777,376
17	2,077,770	-	2,077,770	2,851,112	-	2,851,112	2,886,514	-	2,886,514
Totals, Judicial	\$13,640,796	-	\$13,640,796	\$17,972,198	-	\$17,972,198	\$19,296,167	\$10,145	\$19,306,312
<b>Executive</b>									
Governor's Office:									
18 Governor	1,402,392	-	1,402,392	1,540,265	-	1,540,265	1,571,733	-	1,571,733
18 Secretary for Business and Transportation	-	78,272	78,272	-	98,923	98,923	-	104,405	104,405
19 Secretary for Human Relations	103,665	-	103,665	130,167	-	130,167	138,676	-	138,676
20 Secretary for Resources	143,745	-	143,745	169,816	-	169,816	177,176	-	177,176
21 Secretary for Agriculture and Services	-	-	-	85,847	-	85,847	95,224	-	95,224
21 Youth and Adult Corrections Agency	63,862	-	63,862	5,358	-	5,358	-	-	-
22 Disaster Office	953,632	-	953,632	983,393	-	983,393	1,094,370	-	1,094,370
Workmen's Compensation for Disaster Service Workers	38,164	-	38,164	49,000	-	49,000	51,000	-	51,000
29 Council on Intergovernmental Relations	22,674	-	22,674	109,724	-	109,724	133,112	-	133,112
34 Lieutenant Governor	173,977	-	173,977	231,501	-	231,501	236,573	-	236,573
Totals, Executive	\$2,902,111	\$78,272	\$2,980,383	\$3,305,071	\$98,923	\$3,403,994	\$3,497,864	\$104,405	\$3,602,269
<b>General Administration</b>									
35 Public Employees' Retirement System	22,500	-	22,500	22,500	-	22,500	22,500	-	22,500
39 Department of General Services Office of Management Services	4,685,040	1,511,484	6,196,524	5,896,921	1,614,610	7,511,531	5,123,948	1,636,645	6,760,593
79 Intergovernmental Board on Electronic Data Processing	61,136	-	61,136	223,165	-	223,165	279,405	-	279,405
80 Advisory Commission on Marine and Coastal Resources	-	-	-	27,801	-	27,801	54,660	-	54,660
82	24,757	-	24,757	61,399	-	61,399	67,752	-	67,752



State Exposition and Fair Executive Committee	83	121,175	-	121,175	1,064,234	2,051,915	3,116,149	1,780,000	1,596,240	3,376,240
State Fair and Exposition	85	244,500	2,619,441	2,864,031	-	-	-	-	-	-
Capitol Building and Planning Commission	86	817	-	817	2,250	-	2,250	2,250	-	2,250
Commission on California State Government Organization and Economy	87	44,844	-	44,844	54,303	-	54,303	55,469	-	55,469
Commission on Interstate Cooperation	88	81,496	-	81,496	74,660	5,000	79,660	99,100	-	99,100
Personnel Board	89	4,387,413	-	4,387,413	5,002,379	-	5,002,379	5,247,590	-	5,247,590
Secretary of State	98	1,170,473	-	1,170,473	1,584,035	-	1,584,035	1,372,874	-	1,372,874
Heritage Preservation Commission	102	-	-	-	1,000	-	1,000	1,000	-	1,000
Totals, General Administration		\$10,844,241	\$4,130,925	\$14,975,166	\$14,014,647	\$3,671,525	\$17,686,172	\$14,106,548	\$3,232,885	\$17,339,433
<b>Agriculture</b>										
Department of Agriculture	103	12,547,467	9,348,938	21,896,405	12,300,380	11,642,503	23,942,883	12,725,015	11,965,616	24,690,631
District Agricultural Associations	141	-340,200	3,402,000	3,061,800	-462,930	3,462,900	2,999,970	-473,000	3,371,700	2,898,700
Assistance to County Agricultural Fairs and Citrus Fruit Fairs	141	-185,900	3,429,294	3,243,394	-243,400	3,156,900	2,913,500	-192,500	2,540,200	2,347,700
Salaries of County Agricultural Commissioners	142	170,115	-	170,115	171,600	-	171,600	171,600	-	171,600
Assistance to Cities and Counties for Land Under Contract	142	-	-	-	446	-	446	446	-	446
Poultry Improvement Commission	143	-	61,886	61,886	-	51,611	51,611	13,543	-	13,543
Totals, Agriculture		\$12,191,482	\$16,242,118	\$28,433,600	\$11,766,096	\$18,313,914	\$30,080,010	\$12,245,104	\$17,877,516	\$30,122,620
<b>Commerce</b>										
Department of Commerce	144	775,641	484,016	1,259,657	854,135	617,566	1,471,701	824,847	620,202	1,445,049
Office of Consumer Counsel	150	32,068	-	32,068	34,563	-	34,563	37,427	-	37,427
Totals, Commerce		\$807,709	\$484,016	\$1,291,725	\$888,698	\$617,566	\$1,506,264	\$862,274	\$620,202	\$1,482,476
<b>Corrections</b>										
Department of Corrections	152	82,398,990	-	82,398,990	90,770,156	-	90,770,156	95,305,600	-	95,305,600
Department of the Youth Authority	196	46,709,792	-	46,709,792	55,271,352	-	55,271,352	65,892,763	-	65,892,763
Totals, Corrections		\$129,108,782	-	\$129,108,782	\$146,041,508	-	\$146,041,508	\$161,198,363	-	\$161,198,363
<b>Education</b>										
Department of Education	989	1,338,043,591	3,124,688	1,341,168,279	1,373,900,762	4,874,854	1,378,775,716	1,485,314,691	3,325,000	1,488,639,691
State Teachers' Retirement System	215	62,607,480	-	62,607,480	72,371,635	-	72,371,635	80,212,395	-	80,212,395
Debt Service on Public School Building Bonds	1,063	53,175,487	-	53,175,487	53,616,062	-	53,616,062	55,061,556	-	55,061,556
School Building Construction Bonds	1,063	-	-297	-297	-	33,358	33,358	-	-	-
Coordinating Council for Higher Education	220	512,837	-	512,837	571,110	-	571,110	551,345	-	551,345
University of California	226	243,762,362	266,500	244,028,862	291,039,045	233,200	291,272,245	316,000,000	233,200	316,233,200
Hastings College of the Law	251	665,412	-	665,412	809,779	-	809,779	1,029,974	-	1,029,974
Trustees of the California State Colleges	259	192,689,645	254,869	192,944,514	239,377,566	2,457,016	241,834,582	274,833,736	3,195,011	278,028,747
Board of Governors of the Community Colleges	275	3,575	-	3,575	609,116	-	609,116	756,894	-	756,894
State Scholarship and Loan Commission	283	5,345,966	-	5,345,966	8,839,505	-	8,839,505	13,924,989	-	13,924,989
Totals, Education		\$1,896,806,355	\$3,645,760	\$1,900,452,115	\$2,041,134,580	\$7,598,528	\$2,048,733,108	\$2,227,685,580	\$6,753,211	\$2,234,438,791
<b>Fiscal Affairs</b>										
Board of Control	288	106,318	-	106,318	106,637	-	106,637	121,636	-	121,636
State Controller	291	4,978,054	1,233,158	6,211,212	5,717,896	1,401,934	7,119,830	5,724,086	1,156,379	6,880,465
Board of Equalization	304	19,134,787	3,925,854	23,060,641	22,985,562	2,428,050	25,413,612	23,631,577	2,293,050	25,924,627

**Schedule 3-A—Program Budget—Continued**

**COMPARATIVE STATEMENT OF EXPENDITURES BY FUNCTION, ORGANIZATION UNIT AND FUND**  
**FOR FISCAL YEARS 1967-68, 1968-69, AND 1969-70**

Program Budget Page	ACTUAL 1967-68			ESTIMATED 1968-69			ESTIMATED 1969-70		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
<b>Fiscal Affairs—Continued</b>									
328 Department of Finance	3,559,165	100,714	3,659,879	3,869,163	111,095	3,980,258	4,284,223	111,095	4,395,318
336 Franchise Tax Board	12,657,199	2,200,000	14,857,199	16,497,440	-	16,497,440	17,480,561	-	17,480,561
Department of Housing and Community Development	1,758,796	-	1,758,796	1,894,555	-	1,894,555	2,046,761	-	2,046,761
352 State Treasurer	525,041	-	525,041	611,684	-	611,684	639,408	-	639,408
Totals, Fiscal Affairs	\$42,719,360	\$7,459,726	\$50,179,086	\$51,682,937	\$3,941,079	\$55,624,016	\$53,978,252	\$3,560,524	\$57,538,776
<b>Health and Welfare</b>									
Human Relations Special Services	37,500	-	37,500	-	-	-	-	-	-
356 Medical Fee and Related Services Cost Increases	-	-	-	-	-	-	10,000,000	-	10,000,000
357 Department of Health Care Services	208,086,833	-	208,086,833	336,000,000	-	336,000,000	383,395,793	-	383,395,793
358 Department of Human Resources Development:									
378 Commission on Aging	120,333	-	120,333	121,721	-	121,721	154,356	-	154,356
380 Department of Employment Office of Economic Opportunity	233,637	-	233,637	3,300,000	585,185	3,885,185	3,300,000	577,956	3,877,956
403 College Work Study Program	423,937	-	423,937	253,103	-	253,103	404,460	-	404,460
404 Service Center Program	32,193	-	32,193	4,632,451	259,696	4,892,147	4,958,629	265,706	5,224,335
408 Advisory Commission on Indian Affairs	-	-	-	48,003	-	48,003	14,447	-	14,447
409 Job Development Corporation Law Executive Board	-	-	-	230,363	-	230,363	446,422	-	446,422
410 Job Training and Placement Council	216,752,132	41,743	216,793,875	237,281,429	33,728	237,315,157	265,107,431	-	265,107,431
414 Department of Mental Hygiene	49,785,532	-	49,785,532	56,012,235	-	56,012,235	41,082,632	64,795	41,147,427
487 Department of Public Health	7,327,290	-	7,327,290	4,521,293	-	4,521,293	4,161,507	-	4,161,507
518 Department of Rehabilitation	422,281,255	-	422,281,255	495,084,364	500,000	495,584,364	578,826,242	-	578,826,242
537 Department of Social Welfare	\$905,090,643	\$692,894	\$905,783,537	\$1,137,484,962	\$1,378,609	\$1,138,863,571	\$1,291,851,919	\$908,457	\$1,292,760,376
Totals, Health and Welfare									
<b>Industrial Relations</b>									
Department of Industrial Relations	20,417,380	52,000	20,469,380	22,148,130	-	22,148,130	22,715,150	-	22,715,150
577 State Fire Marshal	855,327	112,500	967,827	939,339	121,200	1,060,539	969,310	121,400	1,090,710
599 Workmen's Compensation Insurance:									
604 Compensation Insurance Fund	-	-	-	-	-	-	-	-	-
Workmen's Compensation Benefits for Subsequent Injuries	1,189,588	-	1,189,588	1,362,000	-	1,362,000	1,444,000	-	1,444,000
604 Totals, Industrial Relations	\$22,462,295	\$164,500	\$22,626,795	\$24,449,469	\$121,200	\$24,570,669	\$25,128,460	\$121,400	\$25,249,860
<b>Justice</b>									
Department of Justice	15,721,878	-	15,721,878	17,705,877	1,183,722	18,889,599	20,041,619	2,690,377	22,731,996
605 Commission on Peace Officers Standards and Training	-	1,709,004	1,709,004	-	4,205,257	4,205,257	-	5,301,885	5,301,885
620 Council on Criminal Justice	-	-	-	75,000	-	75,000	75,000	-	75,000
623 Crime Technological Research Foundation	-	-	-	75,000	-	75,000	75,000	-	75,000
624	-	-	-	-	-	-	-	-	-



Assistance to Counties for Public Defenders -----	624	600,000	-	600,000	775,000	-	775,000	775,000	-	775,000
Administration and Payment of Tort Liability Claims -----	625	555,916	7,164	563,080	1,321,354	-	1,321,354	2,219,262	-	2,219,262
Aid to Victims of Crimes of Violence -----	625	15,414	6,997	22,411	100,000	5,374	105,374	125,000	2,000	127,000
Totals, Justice -----		\$16,893,208	\$1,723,165	\$18,616,373	\$20,052,231	\$5,394,353	\$25,446,584	\$23,310,881	\$7,994,262	\$31,305,143
Military Affairs										
Military Department -----	626	3,745,427	-	3,745,427	4,276,598	-	4,276,598	4,619,692	-	4,619,692
Totals, Military Affairs -----		\$3,745,427	-	\$3,745,427	\$4,276,598	-	\$4,276,598	\$4,619,692	-	\$4,619,692
Regulation and Licensing										
Department of Alcoholic Beverage Control -----	639	5,311,536	-	5,311,536	5,632,206	-	5,632,206	5,850,159	-	5,850,159
Alcoholic Beverage Control Appeals Board -----	641	125,688	-	125,688	130,892	-	130,892	135,268	-	135,268
Banking Department -----	642	3,034,395	1,253,160	4,287,555	75,000	1,336,545	1,411,545	75,000	1,340,197	1,415,197
Department of Corporations -----	647	154,468	-	154,468	3,381,819	-	3,381,819	3,054,310	-	3,054,310
Districts Securities Commission -----	654	27,418	238,089	265,507	187,819	-	187,819	219,936	-	219,936
Horse Racing Board -----	656	107,164	3,710,414	3,817,578	3,748,720	316,551	316,551	334,345	334,345	334,345
Department of Insurance -----	659	1,075	-	1,075	4,099,590	350,870	4,099,590	4,216,041	-	4,216,041
Board of Pilot Commissioners for Harbor of San Diego -----	661	1,075	-	1,075	1,200	-	1,200	1,200	-	1,200
Board of Pilot Commissioners for the bays of San Francisco, San Pablo, and Suisun -----	661	-	26,641	26,641	-	29,371	29,371	-	27,472	27,472
Board of Harbor Commissioners for Humboldt Bay -----	662	2,800	-	2,800	2,940	-	2,940	2,940	-	2,940
Department of Professional and Vocational Standards -----	663	154,074	8,805,779	8,959,853	166,237	10,462,310	10,628,547	180,390	10,654,077	10,834,467
Public Utilities Commission -----	682	5,789,235	4,798,582	10,587,817	6,144,554	5,436,695	11,581,549	6,731,185	5,331,870	12,063,055
Department of Real Estate -----	691	-	3,188,924	3,188,924	-	3,375,903	3,375,903	-	3,374,826	3,374,826
Department of Savings and Loan -----	697	-	2,583,623	2,583,623	-	2,722,955	2,722,955	-	2,797,368	2,797,368
Totals, Regulation and Licensing -----		\$14,707,853	\$24,610,212	\$39,318,065	\$19,471,637	\$24,031,200	\$43,502,887	\$20,466,429	\$23,860,155	\$44,326,584
Resources										
Department of Conservation Grants to Soil Conservation Districts -----	700	36,354,002	1,147,384	37,501,386	39,229,706	1,242,764	40,472,470	39,790,577	1,272,636	41,063,213
State Lands Division -----	727	20,500	-	20,500	-	-	1,590,254	1,822,929	-	1,822,929
Department of Fish and Game Wildlife Conservation Board -----	728	1,416,921	13,036,046	13,036,046	1,590,254	14,752,986	14,752,986	16,112,163	-	16,112,163
Department of Harbors and Watercraft -----	736	-	92,254	92,254	-	104,027	104,027	-	116,050	116,050
State Financial Assistance to local agencies for small craft harbors -----	769	5,202	-	5,202	5,202	18,274	23,476	5,202	30,620	35,822
Debt service on small craft harbor bonds -----	770	-	-	-	-	-	-	-	-	-
Department of Parks and Recreation Grants to local governments for recreation -----	776	-2,899,974	3,818,562	918,588	-	3,908,000	3,908,000	-280,597	4,000,000	3,719,403
Department of Water Resources -----	-	-	-	-	-	-	-	-	-	-
State operations -----	777	15,057,323	-	15,057,323	16,781,035	-	16,781,035	18,579,411	-	18,579,411
Local assistance -----	789	-	-	-	-	-	-	-	-	-
Air Resources Board -----										
State Water Resources Control Board -----	791	10,047,152	-	10,047,152	11,086,699	-	11,086,699	10,926,680	-	10,926,680
Assistance for construction of sewerage and storm drainage facilities -----	791	11,365,500	-	11,365,500	13,105,400	-	13,105,400	10,662,500	-	10,662,500
Office of Nuclear Energy -----	855	495,036	-	495,036	615,588	1,321,005	1,936,593	679,305	1,236,928	1,916,233
Reclamation Board -----	861	3,680,906	-	3,680,906	2,986,153	-	2,986,153	3,042,184	-	3,042,184
Colorado River Board -----										
Assistance for construction of sewerage and storm drainage facilities -----	871	1,776,998	-	1,776,998	-1,776,998	-	-1,776,998	-	-	-
Office of Nuclear Energy -----	872	42,589	-	42,589	43,069	-	43,069	46,688	-	46,688
Reclamation Board -----	873	-	-	-	-	-	-	-	-	-
Colorado River Board -----	877	259,996	-	259,996	276,098	-	276,098	289,426	-	289,426

**Schedule 3-A—Program Budget—Continued**

**COMPARATIVE STATEMENT OF EXPENDITURES BY FUNCTION, ORGANIZATION UNIT AND FUND  
FOR FISCAL YEARS 1967-68, 1968-69, AND 1969-70**

Program Budget Page	ACTUAL 1967-68			ESTIMATED 1968-69			ESTIMATED 1969-70		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
<b>Resources—Continued</b>									
Goose Lake Compact									
Commission									
California Advisory Committee	3,313	-	3,313	2,000	-	2,000	6,000	-	6,000
Klamath River Compact									
Commission	-	-	-	-	-	-	7,575	-	7,575
California-Nevada Interstate Compact Commission	13,008	-	13,008	27,000	-	27,000	15,600	-	15,600
San Francisco Bay Conservation and Development Commission	224,174	-	224,174	229,040	-	229,040	175,888	-	175,888
Special Resources Services and Studies	63	-	63	45,000	-	45,000	197,768	24,397	222,165
<b>Totals, Resources</b>	<b>\$77,862,709</b>	<b>\$18,094,246</b>	<b>\$95,956,955</b>	<b>\$84,251,246</b>	<b>\$21,347,056</b>	<b>\$105,598,302</b>	<b>\$85,967,136</b>	<b>\$22,792,854</b>	<b>\$108,759,990</b>
<b>Transportation</b>									
Department of Aeronautics									
Airport Assistance	-	237,674	237,674	-	754,452	754,452	-	751,221	751,221
Special Transportation Services and Studies	-	1,176,988	1,176,988	-	1,600,767	1,600,767	-	1,618,213	1,618,213
Department of the California Highway Patrol	-	166,773	166,773	-	162,354	162,354	-	-	-
Vehicle Equipment Safety Commission	-	76,269,858	76,269,858	-	98,242,671	98,242,671	-	114,027,280	114,027,280
Department of Motor Vehicles	-	6,356	6,356	-	8,835	8,835	-	8,835	8,835
Department of Public Works	-	53,604,120	53,604,120	-	61,168,915	61,168,915	-	64,669,768	64,669,768
Southern California Rapid Transit District	-	105,938,310	105,938,310	-	115,438,162	115,438,162	-	120,983,027	120,983,027
Folsom Lake Bridge Authority	1,626,000	-	1,626,000	1,159,921	-	1,159,921	-	-	-
<b>Totals, Transportation</b>	<b>\$1,626,000</b>	<b>\$237,400,079</b>	<b>\$239,026,079</b>	<b>\$1,166,221</b>	<b>\$277,376,156</b>	<b>\$278,542,377</b>	<b>-</b>	<b>\$302,058,344</b>	<b>\$302,058,344</b>
<b>Veterans Affairs</b>									
Department of Veterans Affairs									
United Spanish War Veterans Commission	7,876,001	-	7,876,001	7,931,281	-	7,931,281	8,106,893	-	8,106,893
<b>Totals, Veterans Affairs</b>	<b>\$7,876,001</b>	<b>-</b>	<b>7,876,001</b>	<b>7,931,281</b>	<b>-</b>	<b>7,931,281</b>	<b>8,106,893</b>	<b>-</b>	<b>8,106,893</b>
<b>Miscellaneous</b>									
Agencies and Expenses not Elsewhere Classified:									
Advisory Commission on Status of Women	33,038	-	33,038	44,210	-	44,210	167,330	-	167,330
Arts Commission	146,999	-	146,999	161,709	-	161,709	-	-	-
Bicentennial Celebration Commission	25,000	-	25,000	-	-	-	-	-	-
Chile-California Project Commission of the Californias	31,095	-	31,095	34,917	-	34,917	35,530	-	35,530
Colorado River Boundary Commission	1,000	-	1,000	-	-	-	-	-	-
Earthquake Damage Repair Los Angeles Riot Commission	-114,523	-	-114,523	-114,523	-	-114,523	-116,952	-	-116,952
Personal Services Not Elsewhere Reported	7,004	-	7,004	-	-	-	-	-	-
<b>Totals, Miscellaneous</b>	<b>1,040,074</b>	<b>-</b>	<b>1,040,074</b>	<b>1,286,880</b>	<b>-</b>	<b>1,286,880</b>	<b>1,593,276</b>	<b>-</b>	<b>1,593,276</b>



Refunds of Taxes, Licenses, and Other Fees -----	971	20,600	-	20,600	-	20,000	-	20,000
Storm and Flood Damage Repair -----	972	498,983	462,917	961,900	-	133,147	-	-658,368
Totals, Miscellaneous ----		\$1,689,270	\$462,917	\$2,152,187		\$1,433,193	\$1,699,184	-\$658,368
<b>Property Tax Relief</b>								
Apportionment of Property Tax Relief Fund								
Revenues:								
Senior Citizen's Property Tax Assistance -----	973	-	-	-	-	7,700,000	8,500,000	-
Personal Property Tax Relief -----	973	-	-	-	-	42,428,571	38,500,000	4,518,654
Homeowners' Property Tax Relief Fund -----	973	-	-	-	-	183,750,000	179,300,000	3,700,000
Totals, Property Tax Relief -----		-	-	-	-	\$233,878,571	\$226,300,000	\$8,218,654
<b>Debt Service</b>								
Bond Interest and Redemption Payment of Interest on	974	67,330,549	-	67,330,549	-	78,171,414	92,207,943	-
General Fund Loans ----	975	12,831,015	-	12,831,015	-	2,324,000	3,000,000	-
Totals, Debt Services ----		\$80,161,564	-	\$80,161,564	-	\$80,495,414	\$95,207,943	-
<b>Unallocated</b>								
Provision for Salary Increases	983	-	-	-	-	855,000	859,000	78,907,735
Reserve for Contingencies ---	985	-	-	-	-	589,645	589,645	1,000,000
Legislative Claims -----	986	101,661	17,949	119,610	-	462,152	82,695	121,290
Totals, Unallocated -----		\$101,661	\$17,949	\$119,610		\$1,906,797	\$59,124,125	\$20,904,900
<b>Shared Revenues</b>								
For General Government:								
Apportionment of Liquor License Fees -----	987	-	12,059,888	12,059,888	-	11,900,000	-	12,500,000
Apportionment of Motor Vehicle License Fees ----	987	-	196,365,525	196,365,525	-	211,600,000	-	222,800,000
Apportionment of Cigarette Tax: -----								
Cigarette Tax Fund -----	987	-	45,813,613	45,813,613	-	70,509,842	-	72,600,000
Apportionment of Highway Properties Rental Re- ceipts -----	987	-	699,412	699,412	-	1,258,973	-	1,300,000
For Cities and Counties								
Tideland Development:								
Apportionment of Tideland Revenues -----	988	245,251	-	245,251	-	200,000	200,000	-
For County Roads:								
Apportionment of Motor Vehicle Fuel Tax -----	988	-	123,958,201	123,958,201	-	130,200,000	-	136,200,000
For City Streets:								
Apportionment of Motor Vehicle Fuel Tax -----	988	-	85,658,898	85,658,898	-	59,694,079	-	62,300,000
For County Roads and City Streets:								
Apportionment of Motor Vehicle Fuel Tax ----	988	-	79,723,127	79,723,127	-	83,300,000	-	87,100,000
Totals, Shared Revenues --		\$245,251	\$544,278,664	\$544,523,915		\$200,000	\$200,000	\$594,800,000
Credits for overhead services---		-8,027,113	-	-8,027,113	-	-9,000,000	-9,300,000	-9,300,000
Estimated unidentifiable savings		-	-	-	-	-2,500,000	-7,500,000	-7,500,000
<b>TOTALS, STATE OPERA- TIONS AND LOCAL AS- SISTANCE -----</b>		\$3,255,559,916	\$856,676,159	\$4,112,236,075		\$3,916,163,509	\$4,344,693,933	\$5,357,253,479

## CLASSIFICATION OF FUNDS IN THE STATE TREASURY

The Budget totals of revenues and expenditures reflect the activities of many separate funds. See Schedules 4 and 5 for complete list of these funds. They are segregated into the following classifications:

**GENERAL FUND**—Consists of money received into the State Treasury not required by law to be credited to any other fund, to be used for general purposes of State Government.

**SPECIAL FUNDS**—Funds created to receive certain revenues or to finance particular activities which are for general purposes of State Government or are for activities subject to the regulatory or police powers of the state.

**OTHER FUNDS**—See Schedule 5 for list of funds which are not included in the Budget totals. They consist of moneys which were derived from sources other than general or special taxes, licenses, fees or other state revenues. There are receipts from the Federal Government, funds created for accounting purposes, receipts from sale of lands, or moneys held in trust. Funds not included in the Budget totals are segregated into the following classifications:

*Working Capital and Revolving Funds*—Funds created to finance services for governmental agencies for which charges are made at cost to maintain a fixed accountability. The charges are reflected as expenditures in the Budget at the agency receiving the commodity or service.

*Public Service Enterprise Funds*—Activities operated under state control for the benefit of the public. Funds are derived from charges to those who use the service and no support is derived from taxes, licenses or other state revenues. These functions are not subject to the regulatory or police powers of the state.

*Bond Funds*—To hold proceeds from the sale of bonds and to finance projects for which the bonds were authorized. The cost to the state is charged at the time interest payments are made and when the bonds are redeemed. (See Treasury funds for which no detailed transactions are reported in the Budget.)

*Retirement Funds*—Moneys held in trust by the state for retirement benefit payments.

*Debt Service Funds*—Moneys held by the state to be used for payment of interest or for redemption of bonds.

*Trust and Agency Funds*—Funds holding moneys in trust pending disbursements to trustors, moneys received from the Federal Government to be expended for specific purposes, and other funds which do not derive their sources from taxes or other state revenues, or are in the nature of transitory funds created for the convenience of accounting receipts or disbursements which are not necessarily revenues or expenditures.



## Schedule 4

## SUMMARY OF FUND CONDITION BY FUNDS AS OF JUNE 30, 1967, 1968, 1969, AND 1970

Fund	Page reference	Accumulated surplus June 30, 1967	Actual income 1967-68	Actual expenditures 1967-68	Transfers between funds	Accumulated surplus June 30, 1968	Estimated income 1968-69	Estimated expenditures 1968-69	Transfers between funds	Accumulated surplus June 30, 1969	Estimated income 1969-70	Estimated expenditures 1969-70	Transfers between funds	Accumulated surplus June 30, 1970
<b>GENERAL FUND</b>		-\$26,996,497	\$3,682,301,225	\$3,272,809,294		\$173,490,115 \$194,000,000 \$15,000,319	\$4,074,080,069	\$3,990,713,613		\$247,227,357 \$194,000,000 \$15,041,533	\$4,325,906,476	\$4,434,750,691		\$40,141,800 \$194,000,000 \$13,972,875 \$100,000,000
<i>Transfers from Other Funds:</i>														
Homeowners Property Tax Relief Fund														
Employment Contingent Fund														
Fair and Exposition Fund														
Insurance Fund														
Poultry Testing Project Fund														
<i>Transfers to Other Funds:</i>														
Assembly Contingent Fund														
California Museum of Science and Industry Fund														
Capital Outlay Fund for Public Higher Education														
Contingent Funds of the Assembly and Senate														
Homeowners' Property Tax Relief Fund														
Insurance Fund														
Property Tax Relief Fund														
Senate Contingent Fund														
State Fair Fund														
<b>SPECIAL FUNDS:</b>														
Agriculture Fund	91	2,482,403 \$2,608,708	9,639,403	9,150,256		3,077,830 \$2,503,488	11,131,524	11,416,983		2,802,371 \$2,433,488	12,516,810	11,740,053		3,709,128 \$2,363,188
Aeronautics Fund	787	1,222,743	-1,419,546	294,568		1,079,477	-1,459,000	685,864			-1,500,000	684,154		
Airport Assistance Revolving Fund	788	1,698,927	112,559	1,176,988		\$1,869,498	134,622	1,734,767		\$2,503,966	126,500	1,752,213		\$2,294,409
Alcohol Beverage Control Fund	493	1,326,757	11,682,538	12,059,888		\$649,407	12,015,000	11,900,000		\$964,407	12,600,000	12,500,000		\$1,004,407
Architecture Public Building Fund	55	-42,590	1,413,537	1,492,093		-121,116	1,634,000	1,606,454		-92,570	1,634,000	1,627,701		-86,271
Assembly Contingent Fund	3	1,854,616		7,703,401				9,462,693		\$2,500,000		9,910,702		\$2,500,000
Banking Fund	495	699,847	1,263,089	-9,023,012		\$3,167,977	-8,794,710	-8,794,710		770,450	1,211,903	-9,910,702		642,166
California Museum of Science and Industry Fund	102	116,864	483,333	1,258,160		704,776	1,402,219	1,336,545				1,310,107		
California Water Fund														
Capital Outlay Fund for Public Higher Education	*	19,876,081	5,246,569	7,663,656		\$17,458,995	157,747	265,530		\$17,351,212	775,011	275,000		\$17,351,223
Certified Clinical Social Worker's Fund	548		25,971,325	3,754,476		22,165,410	25,488,378	90,787,797		9,917,490	22,990,946	82,029,300		10,879,186
Chiropractic Examiners Fund	518	88,112	110,567	15,010		\$51,439	5,000	-53,000,000				-69,000,000		
Cigarette Tax Fund	797		60,744,455	49,734,613		107,481	110,090	105,957		112,214	113,253	106,122		119,347
Collection Agency Fund	620	29,449	226,634	157,212		11,009,842	72,600,000	70,554,817		13,055,025	72,600,000	72,624,453		13,030,572
Contingent Funds of the Assembly and Senate	3					98,871	213,183	205,718		106,336	219,517	213,004		112,849
Electronic Repair Dealer Registration Fund	626		232,329	245,203		\$1,417,015		3,600,000		\$1,417,015		3,500,000		\$1,417,015
Bureau of Employment Agencies Fund	627		261,125			222,003	231,709	269,611		184,101	220,350	274,637		129,914
Employment Contingent Fund	*		2,881,014	585,776		261,125	286,275	114,669		432,731	301,825	143,290		681,266
			-2,323,270			1,000,000	2,850,146	707,908		1,000,000	3,235,271	632,792		1,000,000
							-2,172,238				-2,652,479			

\* Refers to page number in the "Traditional Detail for the Support and Local Assistance Budget".

**Schedule 4—SUMMARY OF FUND CONDITION BY FUNDS AS OF JUNE 30, 1967, 1968, 1969, AND 1970—Continued**

Fund	Page reference	Accumulated surplus June 30, 1967	Actual income 1967-68	Actual expenditures 1967-68	Transfers between funds	Accumulated surplus June 30, 1968	Estimated income 1968-69	Estimated expenditures 1968-69	Transfers between funds	Accumulated surplus June 30, 1969	Estimated income 1969-70	Estimated expenditures 1969-70	Transfers between funds	Accumulated surplus June 30, 1970
<b>SPECIAL FUNDS—Continued</b>														
Fair and Exposition Fund.....	*	3,672,644	20,001,000 -12,054,027	8,839,098	-265,000 (-12,054,027) -15,000	92,801 *2,407,718 *1,711,501	20,042,344 -11,507,735 15,065,316	10,665,128	-265,000 (-11,597,735) -15,000	-----	20,000,000 -11,598,897 15,616,300	8,121,303	-265,000 (-11,598,897) -15,000	-----
Fish and Game Preservation Fund.....	608	9,374,192	14,718,774	14,204,840	-----	8,171,625 *1,711,501	15,065,316	16,990,348	-----	7,953,094 <sup>a</sup>	15,616,300	19,328,270	-----	4,246,124 <sup>a</sup>
Geology Fund.....	530	-----	-----	-----	-----	-----	73,250	49,000	-----	24,250	78,000	55,449	-----	46,801
Highway Fund.....	*	192,655,923	19,317,190	514,001,627	+490,984,431 +250,000	183,805,917	5,790,000	630,128,423	+445,327,000	5,294,494	6,950,000	446,550,000	+439,600,000	5,294,494
Highway Properties Rental Fund.....	*	735,489	1,229,120	699,412	-----	1,259,206	1,259,000	1,258,973	-----	1,259,233	1,300,000	1,300,000	-----	1,259,233
Highway Users Tax Fund.....	*	-----	-----	-----	+82 +575,840,214 +112,000,000	*1,124,542	-----	271,600,000	+600,000,000 +97,327,000 +20,100,000 -445,327,000	*1,124,542	-----	285,600,000	+628,400,000 +75,200,000 +21,600,000 -439,600,000	*1,124,542
Homeowners Property Tax Relief Fund.....	791	-----	-----	-----	-----	-----	-----	180,050,000	-----	-----	-----	-----	-----	-----
Indemnity Fund.....	485	6,131	4,440	6,997	-----	3,574	1,800	5,374	-----	3,700,000	2,000	3,700,000	(-3,700,000)	-----
Insurance Fund.....	504	955,216	3,455,170	3,513,964	-----	609,922	141,702	350,870	-----	-----	-----	-----	-----	-----
Marriage Counselors' Fund.....	518	24,569	49,808	10,883	(+103,500)	63,484	-490,754	6,196	(-490,754)	-----	-----	-----	-----	-----
Motor Vehicle Fund.....	658	51,881,781	242,848,270	125,503,387	-112,000,000	54,132,843 *3,093,221	252,259,144	165,909,302	-97,327,000	46,243,906	264,950,000	182,340,261	-75,200,000	53,638,645
Motor Vehicle Fuel Fund.....	335	1,090,419	584,772,087	6,093,496	-2,805,538 -575,840,214	1,117,918	613,915,000	6,245,200	-3,300,000 -600,000,000	5,487,718	641,575,000	6,194,207	-3,600,000 -628,400,000	8,868,511
Motor Vehicle License Fee Fund.....	658	15,715,056	202,953,990	202,264,979	-----	15,404,067	219,236,154	219,062,614	-----	15,577,607	230,445,966	230,346,255	-----	15,677,318
Motor Vehicle Transportation Tax Fund.....	336	81,186	19,343,580	1,294,898	-17,884,568 -250,000	*431,078 -431,078	22,465,000	1,771,312	-20,100,000	593,688	24,015,000	1,198,779	-21,600,000	1,809,909
Osteopathic Examiners, Contingent Fund of the Board of.....	540	13,954	8,961	9,208	-----	13,707	8,805	9,505	-----	13,007	8,555	9,794	-----	11,708
Peace Officers Training Fund.....	483	675,511	1,783,425	1,709,004	-----	749,932	4,600,000	4,205,257	-----	1,144,675	6,250,000	5,301,885	-----	2,092,790
Petroleum and Gas Fund.....	577	139,289	1,093,594	1,037,359	-----	161,464	1,103,328	1,126,702	-----	132,090	1,124,106	1,154,195	-----	100,001
Pilot Commissioner's Special Fund.....	506	4,000	-----	-----	-----	*8,000	-----	-----	-----	*41,000	-----	-----	-----	*16,000
Poultry Testing Project Fund.....	94	38,641	29,362	26,641	-----	41,352	27,900	29,371	-----	39,891	29,000	27,472	-----	41,419
Professional and Vocations Fund:		98,059	15,322	61,886	-----	51,495	14,000 -13,884	51,611	(-13,884)	-----	1,000	-----	(-1,000)	-----
Accountancy Fund.....	513	520,333	113,647	273,350	-----	355,630	506,756	340,888	-----	521,498	135,095	359,759	-----	296,834
Architectural Examiners Fund.....	514	346,638	286,546	100,016	-----	533,168	117,184	143,054	-----	507,298	315,612	146,776	-----	676,134
Barber Examiners Fund.....	516	23,047	669,476	385,003	-----	307,620	163,394	463,667	-----	31,658	679,585	472,236	-----	214,596
Cemetery Fund.....	517	31,455	70,075	69,151	-----	32,379	74,060	74,781	-----	24,853	8,851,550	2,513,728	-----	29,514
Contractors' License Fund.....	521	77,870	4,099,980	2,228,122	-----	1,949,728	539,356	2,464,231	-----	24,853	3,851,550	2,513,728	-----	1,362,975
Cosmetology's Contingent Fund.....	522	1,010,925	343,199	721,498	-----	631,626	1,129,529	926,534	-----	834,621	356,745	816,750	-----	374,616
Dentistry Fund.....	523	160,193	332,786	189,686	-----	303,293	81,650	209,927	-----	175,016	343,112	237,380	-----	280,748
Dry Cleaners Fund.....	524	622,060	126,302	427,011	-----	321,351	801,180	476,492	-----	646,039	136,978	469,281	-----	313,753
Funeral Directors and Embalmers Fund.....	528	128,769	22,042	99,318	-----	51,493	114,391	110,049	-----	55,835	117,852	110,146	-----	63,541
Furniture and Bedding Inspection Fund.....	529	538,541	79,247	294,217	-----	946,592	381,205	322,571	-----	887,958	64,100	467,214	-----	484,844
Landscape Architects Fund.....	532	22,947	54,265	30,664	-----	46,548	7,565	36,968	-----	17,145	60,475	38,981	-----	38,639
Medical Examiners Contingent Fund.....	536	2,044,805	1,620,267	839,797	-----	2,825,275	623,865	1,044,644	-53,426	1,789,920	1,002,942	1,002,942	-----	3,139,048
Nursing Education and Nurse Registration Fund.....	538	358,932	617,819	562,744	-----	414,007	622,350	631,753	-----	404,604	673,612	669,712	-----	408,504
Optometry Fund.....	539	109,291	13,447	81,494	-----	41,244	138,291	79,683	-----	99,852	12,213	80,888	-----	31,177
Pharmacy Board Contingent Fund.....	542	88,933	751,326	561,092	-----	279,170	337,963	599,155	-----	17,978	779,333	660,633	-----	136,678
Physical Therapy Fund.....	536	23,384	27,330	9,291	-----	41,483	3,972	16,039	+53,426	82,792	65,285	26,933	-----	121,144
Private Investigator and Adjuster Fund.....	543	100,139	166,480	104,006	-----	162,613	142,622	112,441	-----	192,794	142,400	116,268	-----	218,926

<sup>a</sup> Refers to page number in the "Traditional Detail for the Support and Local Assistance Budget".



## Schedule 4—SUMMARY OF FUND CONDITION BY FUNDS AS OF JUNE 30, 1967, 1968, 1969, AND 1970—Continued

Fund	Paga refer- ence	Accumulated surplus June 30, 1967	Actual income 1967-68	Actual expenditures 1967-68	Transfers between funds	Accumulated surplus June 30, 1968	Estimated income 1968-69	Estimated expenditures 1968-69	Transfers between funds	Accumulated surplus June 30, 1969	Estimated income 1969-70	Estimated expenditures 1969-70	Transfers between funds	Accumulated surplus June 30, 1970
<b>SPECIAL FUNDS—Continued</b>														
Professional and Vocational Fund—Continued														
Professional Engineers Fund.....	544	512,639	345,188	556,521		301,300	1,559,924	665,811		1,105,419	432,825	678,542		919,702
Registered Social Workers' Fund.....	548	33,246	32,771	27,554		38,433	600	17,151		115,017	20,088	30,215		30,400
Shorthand Reporters' Fund.....	540	96,471	10,953	30,090		83,334	09,511	37,828		431,534	608,172	641,720		408,030
Structural Pest Control Fund.....	550	137,284	686,705	450,291		373,758	006,960	549,134		3,533	150,418	84,597		60,354
Veterinary Examiners' Contingent Fund.....	551	39,590	103,294	73,925		08,959	15,529	80,955		705,847	277,292	297,647		085,402
Vocational Nurse and Psychiatric Techni- cian Examiners Fund.....	554	501,618	183,771	241,743		443,640	565,054	302,853		42,428,571	43,018,054	—38,500,000		37,996,947
Yacht and Ship Brokers Fund.....	555	40,588	20,994	28,171		33,411	22,347	12,470						
Property Tax Relief Fund.....	790							—42,428,571						
Real Estate Education, Research and Re- covery Fund.....	501	973,484	474,635	575,707	—372,321	500,091	504,638	402,854		512,175	510,124	512,554		518,445
Real Estate Fund.....	501	142,690	2,502,288	2,770,937	+372,321	237,368	3,172,003	3,010,315		393,050	3,281,603	2,995,172		078,487
Savings and Loan Inspection Fund.....	563	2,471,375	2,515,307	2,583,023		2,400,050	2,487,245	2,722,955		2,167,349	2,603,225	2,797,308		1,973,200
Senate Contingent Fund.....	3	1,060,774		3,038,325	—6,250	*1,139,632		5,454,887		*500,000	5,000,012	—5,056,000		*499,988
				—3,723,483	(+3,723,483)			—4,815,205						
Social Worker and Marriage Counselor Fund.....	549						49,865	45,442		89,833	112,880	08,495		134,218
State College Extension Programs Revenue Fund.....	311		1,304,953	254,869		1,050,084	2,457,771	2,457,010		1,050,839	3,247,751	3,195,011		1,103,579
State Fair Fund.....	70	178,290	8,000,838	8,465,700	+235,000	222,928	1,564,073	2,466,604			1,392,559	3,437,559		
				—244,590	(+244,590)			—414,603				—1,780,000		
State School Fund.....	701	57,577	2,946,298	2,927,311		76,564	4,672,313	4,700,000		48,877	3,174,200	3,150,000		73,077
State School Construction Funds.....	710	200,732		—207		201,029		33,358		167,671				167,071
Street and Highway Disaster Fund.....	795	173,705	177,791	713,473	—82	—362,050	64,206	142,303		—440,150	84,047	—049,424		293,915
Subsidized Abatement Fund.....	577	115,369	100,349	110,025		105,093	108,368	116,002		07,999	120,502	118,501		100,000
Transportation Rate Fund.....	559	3,340,581	4,540,581	4,708,582		3,088,549	4,683,758	5,436,095		2,235,612	5,205,350	5,331,870		2,109,002
Wildlife Restoration Fund.....	•	1,594,615	884,294	763,595		*1,715,284	804,156	863,027		*1,716,413	861,825	890,975		*1,032,103
Yacht and Ship Brokers Fund.....	612						19,724	18,274		44,738	22,300	30,020		30,418
Augmentation for Salary Increases.....	683							4,000		—4,000		20,800,305		—20,870,305
<b>TOTALS, SPECIAL FUNDS</b> .....		\$325,002,984	\$1,244,807,572	\$1,211,569,009		\$322,505,570	\$1,208,831,124	\$1,455,866,773		\$173,894,023	\$1,357,598,124	\$1,364,180,740		\$107,917,519
		b2,600,708				*30,437,357				*28,077,555				*28,433,437
		c4,000				b2,503,488				b2,433,488				b2,303,488
						e8,000				c14,000				c10,000
<b>GRAND TOTALS, ALL STATE FUNDS</b> .....		\$298,604,487	\$4,627,108,797	\$4,484,378,903		\$495,095,985	\$5,372,920,193	\$5,455,530,380		\$421,121,380	\$5,683,594,600	\$5,798,937,437		\$297,150,319
						1194,000,000				1194,000,000				1194,000,000
						*15,003,319				*15,641,533				*13,972,875
						*36,437,357				*28,077,555				*100,000,000
						b2,600,708				b2,433,488				*28,433,437
						c4,000				c11,000				b2,303,488
														c10,000

\* See Capital Outlay Budget.  
 a Special Funds—Reserve for Unencumbered Balance of Continuing Appropriations.  
 b Invested in Agriculture Building Fund.  
 c Reserve for Geothermal Energy Account.  
 d Refers to page number in the "Traditional Detail for the Support and Local Assistance Budget".

	June 30, 1969	June 30, 1970
General Fund—Reserve for Working Capital.....	\$194,000,000	\$194,000,000
General Fund—Unencumbered Balance of Continuing Appropriations:		
State Operations.....	1,527,514	998,750
Local Assistance:		
Education.....	12,003,312	12,725,057
Capital Outlay:		
Increased Cost of Construction.....	849,062	249,062
Parks and Recreation Acquisition and Development Program.....	661,645	
Total Unencumbered Balance of Continuing Appropriations— General Fund.....	\$15,641,533	\$13,972,875
Proposed Personal Income Tax Reduction.....		\$100,000,000

## Schedule 5

## STATEMENT OF BALANCES IN OTHER TREASURY FUNDS WHICH ARE NOT INCLUDED IN THE BUDGET TOTALS

Fund	Balance June 30, 1967				Balance June 30, 1968			
	Cash	Securities	Due From Surplus Money Investment Fund	Total	Cash	Securities	Due From Surplus Money Investment Fund	Total
<b>WORKING CAPITAL AND REVOLVING FUNDS:</b>								
Agriculture Building Fund.....	\$118,402	-----	-----	\$118,402	\$62,686	-----	-----	\$62,686
Architecture Revolving Fund.....	57,351,274	-----	-----	57,351,274	66,461,762	-----	-----	66,461,762
Ballot Paper Revolving Fund.....	59,932	-----	-----	59,932	73,151	-----	-----	73,151
California Industries for the Blind Manufacturing Fund.....	9,650	-----	-----	9,650	161,302	-----	-----	161,302
Correctional Industries Revolving Fund.....	1,529,130	-----	-----	1,529,130	1,906,719	-----	-----	1,906,719
General Obligation Bond Expense Revolving Fund.....	75,000	-----	-----	75,000	75,000	-----	-----	75,000
Harbors and Watercraft Revolving Fund.....	8,803,907	-----	-----	8,803,907	552,354	-----	-----	7,302,354
Highway Right of Way Acquisition Fund.....	253,441	-----	-----	253,441	272,223	-----	-----	272,223
Opportunity Work Centers Revolving Fund.....	29,527	-----	-----	29,527	25,400	-----	-----	25,400
Old Age and Survivors Insurance Revolving Fund.....	1,317,579	-----	-----	1,317,579	250,593	-----	-----	250,593
Public Building Construction Fund.....	301,408	-----	\$14,350,000	14,651,408	1,143,222	-----	750,000	1,893,222
Service Revolving Fund.....	139,149	-----	-----	139,149	143,247	-----	-----	143,247
Revolving Loan Fund.....	15,979	-----	-----	15,979	20,751	-----	-----	20,751
School District Organization Revolving Fund.....	457,231	-----	-----	457,231	245,791	-----	-----	245,791
State Payroll Revolving Fund.....	102,437,136	-----	-----	102,437,136	111,713,724	-----	-----	111,713,724
State Water Quality Control Fund.....	185,662	-----	-----	185,662	1,571,558	-----	-----	1,571,558
State Water Pollution Control Fund.....	445,987	-----	-----	445,987	389,716	-----	-----	389,716
Surplus Money Investment Fund.....	26,407	-----	200,000	645,987	316,855,471	-----	-309,425,000	7,430,471
Water Rights Board Revolving Fund.....	26,063	-----	-312,200,000	-2,802,430	172,950	-----	-----	172,950
Water Resources Revolving Fund.....	8,997,653	-----	-----	8,997,653	8,633,992	-----	-----	8,633,992
<b>PUBLIC SERVICE ENTERPRISE FUNDS:</b>								
San Francisco Harbor Funds:								
San Francisco Harbor Improvement Fund.....	323,750	-----	8,050,000	8,373,750	345,033	-----	5,450,000	5,795,033
India Basin Sinking Fund.....	2,694	11,716	-----	14,410	2,265	\$11,620	-----	13,885
San Francisco Seawall Sinking Fund No. 2.....	180,526	-----	-----	180,526	178,027	-----	-----	178,027
San Francisco Seawall Sinking Fund No. 3.....	221,217	-----	-----	221,217	218,135	-----	-----	218,135
San Francisco Seawall Sinking Fund No. 4.....	136,664	131,478	-----	268,142	66,417	198,912	-----	265,329
San Francisco Seawall Fund No. 4.....	39,625	-----	-----	39,625	39,625	-----	-----	39,625
San Francisco Seawall Fund No. 5.....	117,291	-----	6,400,000	6,517,291	193,877	-----	2,450,000	2,643,877
Toll Bridge Funds:								
Carquinez Strait Bridges Service Contribution Fund.....	915,642	119,267	-----	1,034,909	912	-----	-----	912
San Francisco-Oakland Bay Bridge Construction Fund.....	8,030	88,556	-----	96,586	8,581	92,563	-----	101,144
San Francisco-Oakland Bay Bridge Toll Revenue Fund.....	209,712	16,872,538	-----	17,082,250	257,065	6,995,482	-----	7,252,547
Toll Bridge Authority Revolving Fund.....	50,000	-----	-----	50,000	50,000	-----	-----	50,000
Carquinez Strait Bridges Construction Fund.....	9,973	88,467	-----	98,440	11,367	66,782	-----	78,149
San Pedro-Terminal Island Toll Bridge Construction Fund.....	9,622	826,195	-----	835,817	9,201	757,672	-----	766,873
San Diego-Coronado Bridge Construction Fund.....	29,037,485	3,897,937	-----	32,935,422	1,012,839	19,539,991	-----	20,552,830
Vincent Thomas Bridge Construction Fund.....	-----	-----	-----	-----	9,841	272,388	-----	282,229
Other Utility Funds:								
Central Valley Water Project Construction Fund.....	3,424,935	-----	60,550,000	63,974,935	4,113,477	-----	115,750,000	119,863,477
Central Valley Water Project Revenue Fund.....	1,440	-----	30,000	31,440	2,873	-----	30,000	32,873
College Auxiliary Enterprise Fund.....	181,102	-----	-----	181,102	139,700	-----	-----	139,700
Compensation Insurance Fund.....	1,123,257	217,751,687	5,500,000	224,374,944	1,000,079	234,833,201	3,000,000	238,833,280
Rapid Transit Tube Construction Fund.....	15,512,700	58,061,786	-----	73,574,486	6,581	30,765,487	-----	30,772,068
Small Craft Harbor Improvement Fund.....	243,308	-----	-----	243,308	220,223	-----	-----	220,223
State College Dormitory Building Maintenance and Equipment Reserve Fund.....	18,171	630,491	-----	648,662	495,711	629,471	-----	1,125,182
State College Dormitory Construction Fund.....	1,792,354	23,689,020	-----	25,411,374	3,905,539	27,343,298	-----	31,148,837
State College Dormitory Revenue Fund.....	1,770,335	-----	-----	1,770,335	1,532,485	1,211,014	-----	2,743,529
Unemployment Compensation Disability Fund.....	1,110,727	58,607,630	-----	59,718,357	875,301	85,419,734	-----	86,295,035
Veterans Farm and Home Building Fund of 1943.....	1,393,234	-----	60,500,000	61,893,234	323,761	-----	34,500,000	34,823,761
State College Parking Revenue Fund.....	185,509	1,012,402	-----	1,197,911	640,771	-----	-----	640,771



**Schedule 5—STATEMENT OF BALANCES IN OTHER TREASURY FUNDS WHICH ARE NOT INCLUDED IN THE BUDGET TOTALS—Continued**

Fund	Balance June 30, 1967				Balance June 30, 1968			
	Cash	Securities	Due From Surplus Money Investment Fund	Total	Cash	Securities	Due From Surplus Money Investment Fund	Total
<b>BOND FUNDS:</b>								
California Water Resources Development Bond Fund.....	\$19,625		\$23,640,000	\$23,659,625	\$276,246		\$4,140,000	\$4,416,246
Public School Building Loan Fund.....	7,725			7,725	13,070			13,070
State School Building Aid Fund.....	27,713,021			27,713,021	78,544,310			78,544,310
State Construction Program Fund.....	61,606,648			61,606,648	95,994,221			95,994,221
Small Craft Harbor Bond Fund.....	52,350		1,600,000	1,652,350	18,149		900,000	918,149
State Beach, Park, Recreational and Historical Facilities Fund.....	40,723,231			40,723,231	19,845,150			19,845,150
<b>RETIREMENT FUNDS:</b>								
Judges' Retirement Fund.....	5,057			5,057	4,121			4,121
Legislators' Retirement Fund.....	41,910	\$739,277		781,187	39,145	\$919,233		958,378
Public Employees Retirement Fund.....		1,235,171,524		1,235,171,524	3,040,129,232			3,040,129,232
Teachers' Retirement Fund.....	108,017	2,722,813,342		2,722,921,359	15,713,489	1,365,404,699		1,381,118,188
State Employees Retirement Fund.....								
<b>DEBT SERVICE FUNDS</b>								
Harbor Bond Sinking Fund.....	1,513,216			1,513,216	1,489,723			1,489,723
Olympic Bond Fund.....	7,603	72,884		80,487	6,234	47,420		53,654
State College Dormitory Interest and Redemption Fund.....	733	1,462,952		1,463,685	1,528	1,617,492		1,619,020
<b>TRUST AND AGENCY FUNDS:</b>								
<b>Federal Funds:</b>								
Public Health—Federal Fund.....	1,137,283			1,137,283	2,458,653			2,458,653
Social Welfare—Federal Fund.....	15,895,827			15,895,827	7,237,187			7,237,187
Unemployment Administration Fund.....	681,908			681,908	1,124,310			1,124,310
Vocational Education—Federal Fund.....	572,710			572,710	819,725			819,725
Vocational Rehabilitation—Federal Fund.....	732,310			732,310	534,611			534,611
<b>Other Trust and Agency Funds:</b>								
Condemnation Deposit Fund.....	16,450,134			16,450,134	8,755,339			8,755,339
Health Care Deposit Fund.....	289,880	31,815,441		32,105,321	2,011,837	38,352,539		40,364,376
Highway Property Rental Fund.....	672,874			672,874	698,672			698,672
Inmate Welfare Fund.....	227,817			227,817	330,801			330,801
Special Deposit Fund.....	28,402,144			28,402,144	21,589,082			21,589,082
State Employees Contingency Reserve Fund.....	5,820	38,153	6,600,000	6,643,973	12,878	38,153	8,100,000	8,141,031
State Park Contingent Fund.....	78,278	1,181,113		1,259,391	197,567	1,383,022		1,580,589
State Properties Rental Fund.....	107,518			107,518	136,929			136,929
Tax Deducted Land Rental Trust Fund.....	12,249			12,249	229			229
Unclaimed Property Fund.....	413,764	4,065,263	1,550,000	6,029,027	570,844	4,038,236	1,750,000	6,359,080
Unemployment Fund.....	54,995			54,995	413			413
State Guaranteed Loan Reserve Fund.....	407	641,593		642,000	45,600	1,460,230		1,505,830
<b>TOTAL BALANCES IN OTHER TREASURY FUNDS</b>	\$448,167,059	\$4,689,161,875	—\$123,230,000	\$5,014,098,934	\$784,792,404	\$4,861,532,903	—\$125,855,000	\$5,520,470,307
<b>General Fund.....</b>	\$4,549,178			\$4,549,178	\$7,074,014			\$7,074,014
Highway Fund and Motor Vehicle Funds.....	6,422,821		75,350,000	81,772,821	17,127,520		79,325,000	96,452,520
Other Special Funds.....	23,194,311	173,129,809		196,324,120	65,956,523	25,470,000	46,590,000	137,966,523
Treasurer's Trust Accounts.....	71,061,785	25,470,000	47,880,000	144,411,785	76,492,765			76,492,765
Uncleared Collections.....	1,206,152			1,206,152	2,078,396			2,078,396
Warrants Outstanding.....	95,315,981			95,315,981	117,158,728			117,158,728
Pooled Money Accounts.....	—\$74,797,623	—\$74,797,623		—\$74,797,623	—969,460,493			—969,460,493
Time Deposits in Banks.....	—\$61,271,000	—\$61,271,000		—\$61,271,000	—215,073,000			—215,073,000
<b>TOTALS, STATE TREASURERS ACCOUNTABILITY</b>	\$42,648,664	\$5,629,829,707		\$5,672,478,371	\$1,161,160,857	\$6,316,819,603		\$6,331,070,460

\* Not identified as to Fund.  
 † Consists of Demand Deposits—\$16,041,243, Tellers' Cash —\$158,305, and —\$48,691 due to Sacramento Clearing House.  
 • Includes \$157,000,000 Loan to the General Fund.

**TREASURY FUNDS FOR WHICH NO DETAILED TRANSACTIONS  
ARE REPORTED IN THE BUDGET**

- Ballot Paper Revolving Fund:* The fund is used by the Secretary of State to purchase paper for sale to counties and municipalities for their use for election ballots.
- Bicentennial Celebration Fund:* Depository for gifts and grants for commemoration of the 200th anniversary of the settlement of California.
- California Heritage Preservation Fund:* The fund was established by Chapter 1938, Statutes of 1963, to receive donations, gifts and grants from any source to provide for the restoration, preservation and display of the historical documents of the state on deposit with the Secretary of State.
- Condemnation Deposits Fund:* Contains deposits held in trust pending settlement of court cases in condemnation proceedings.
- India Basin Sinking Fund:* Moneys are transferred from the San Francisco Harbor Improvement Fund and interest is earned on investment of these moneys to provide for payment of interest and redemption of the San Francisco Harbor Bonds.
- Job Training and Placement Fund:* For deposit and disbursement of grants and gifts to further programs designed to provide instruction in vocational skills and to provide assistance for job placement.
- Old Age and Survivors Insurance Revolving Fund:* The fund is used by the Public Employees' Retirement System to clear employer and employee contributions under the Federal Old Age and Survivors Insurance Program from public agencies included in the agreement between the state and the federal government.
- Opportunity Work Centers Revolving Fund:* Provides for purchase and rental of equipment for Centers for the Blind.
- San Francisco Seawall Funds Nos. 4 and 5:* Receives money from the proceeds of bond sales to be used for the construction of wharves, piers, seawall, and other improvements in San Francisco Harbor.
- San Francisco Seawall Sinking Funds Nos. 2, 3 and 4:* Moneys are transferred from the San Francisco Harbor Improvement Fund and interest is earned on investment of these moneys to provide for payment of interest and redemption of the San Francisco Harbor Bonds.
- Special Deposit Fund:* Accumulation of numerous trust funds deposited by state and private agencies for a specific purpose. This fund also contains unclaimed checks and deposits pending either payment to the proper persons or transfer to the General Fund. The transactions of this fund are so numerous and the pattern is so indefinite that no attempt is made to estimate the volume that will flow through the fund.
- Special Interest Stopping Place Fund:* Receives gifts of money or property for the purpose of establishing places of special scenic, historical, or cultural interest.
- State Park Contingent Fund:* Receives moneys from gifts, bequests, from municipal or county appropriations, or donations, for improvements, additions, or administration of the state park system. The amounts received are disbursed in accordance with the provisions of the donations.
- State Payroll Revolving Fund:* The fund is used by the State Controller for payment of salaries through the Uniform Payroll System.
- Surplus Money Investment Fund:* Excess money in those funds which do not have other provision for investment may be transferred to this fund, the pooled resources are invested and the interest earned is prorated to the contributing funds.
- Tax-deeded Land Rental Trust Fund:* Receipts are derived from leases made by the State Controller covering property deeded to the state for taxes. The rentals are paid semiannually to the county in which the property is located for distribution to the taxing agencies.
- Toll Bridge Authority Revolving Fund:* A permanent revolving fund to pay expenses incurred by the California Toll Bridge Authority in the administration of the Toll Bridge Authority Act.
- Traffic Safety Program Fund:* To receive and disburse funds received as gifts and grants to be apportioned to local governments for traffic safety programs.
- Treasury Trust Deposits:* Provides for the State Treasurer's Central Banking System.
- Unclaimed Property Fund:* This fund accounts for all unclaimed moneys held by the state.
- Welfare Advance Fund:* The fund is used for disbursements to counties of state and federal shares of social welfare public assistance programs.



## Schedule 6

**COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID GRANTED TO THE STATE OF CALIFORNIA  
FOR THE FISCAL YEARS 1967-68, 1968-69, AND 1969-70**

Department	Page refer- ence	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total
STATE OPERATIONS										
JUDICIAL: Judicial Council.....	8	\$1,461	-----	\$1,461	\$31,539	-----	\$31,539	\$10,145	-----	\$10,145
EXECUTIVE: Disaster Office.....	22	663,711	\$222,382	886,093	674,901	\$243,892	918,793	720,252	-----	720,252
Disaster Office—Disaster Relief and Matching Funds to Local Governments.....	22	-----	(4,863,909)	(4,863,909)	-----	(7,310,000)	(7,310,000)	-----	(\$7,200,000)	(7,200,000)
Council on Intergovernmental Relations.....	24	-----	-----	-----	-----	10,000	10,000	-----	10,000	10,000
Totals, Executive.....		\$663,711	\$222,382 (4,863,909)	\$886,093 (4,863,909)	\$674,901	\$253,892 (7,310,000)	\$928,793 (7,310,000)	\$720,252	\$10,000 (7,200,000)	\$730,252 (7,200,000)
GENERAL ADMINISTRATION: Personnel Board—Support.....	77	-----	\$85,552	\$85,552	-----	\$85,256	\$85,256	-----	-----	-----
Totals, General Administration.....		-----	\$85,552	\$85,552	-----	\$85,256	\$85,256	-----	-----	-----
AGRICULTURE: Department of Agriculture										
Cooperative Marketing Research.....	82	\$61,490	-----	\$61,490	\$61,314	-----	\$61,314	\$67,122	-----	\$67,122
Participation in State Projects.....	82	68,291	-----	68,291	71,073	-----	71,073	71,073	-----	71,073
Department of Agriculture—Support.....	89	-----	\$219,920	219,920	-----	\$1,006,978	1,006,978	-----	\$1,020,593	1,020,593
Totals, Agriculture.....		\$129,781	\$219,920	\$349,701	\$132,387	\$1,006,978	\$1,139,365	\$138,195	\$1,020,593	\$1,158,788
CORRECTIONS: Department of Corrections—Support.....	120	-----	\$190,068	\$190,068	-----	\$104,373	\$104,373	-----	\$104,373	\$104,373
Department of the Youth Authority—Support.....	143	-----	87,177	87,177	-----	109,580	109,580	-----	6,820	6,820
Special Project Activities.....	144	-----	1,054,840	1,054,840	-----	1,101,857	1,101,857	-----	1,364,967	1,364,967
Totals, Department of the Youth Authority.....		-----	\$1,142,017	\$1,142,017	-----	\$1,211,437	\$1,211,437	-----	\$1,371,787	\$1,371,787
Totals, Corrections.....		-----	\$1,332,085	\$1,332,085	-----	\$1,315,810	\$1,315,810	-----	\$1,470,160	\$1,470,160
EDUCATION: Department of Education										
Various Educational Programs in Support.....	146	\$596,123	\$191,972	\$788,095	\$593,207	\$190,000	\$783,267	\$628,923	\$190,000	\$818,923
National Defense Education Improvement of Guidance, Instruction and Statistical Services.....	158	484,103	-----	484,103	615,584	-----	615,584	657,997	-----	657,997
Elementary and Secondary Education Act Department of Education.....	161	9,303,132	-----	9,303,132	4,554,761	-----	4,554,761	4,970,032	-----	4,970,032

**Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued**

Department	Page reference	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		Grants	Reimbursements and special projects	Total	Grants	Reimbursements and special projects	Total	Grants	Reimbursements and special projects	Total
STATE OPERATIONS—Continued										
EDUCATION—Continued										
Department of Education—Continued										
School for the Deaf, Riverside—Pilot Project.....	182		106,345	106,345		38,732	38,732			
Vocational Education—Support.....	185	2,124,952		2,124,952	2,619,837		2,619,837	2,694,276		2,694,276
Division of Libraries										
Library Services and Construction Act.....	190	4,465,723		4,465,723	6,916,635		6,916,635	3,561,767		3,561,767
Totale, Education.....		\$16,974,033	\$298,317	\$17,272,350	\$15,300,084	\$228,732	\$15,528,816	\$12,518,995	\$190,000	\$12,708,995
HIGHER EDUCATION:										
Coordinating Council for Higher Education—Support.....	197	\$395,044		\$395,044	\$350,335		\$350,335	\$443,505		\$443,505
University of California:										
Special Federal Research Projects.....	208		\$247,891,925	247,891,925		\$247,891,925	247,891,925	\$247,891,925		247,891,925
Other Federal Projects.....	208		149,307,666	149,307,666		134,125,137	134,125,137	135,179,852		135,179,852
Totals, University of California.....			\$397,199,591	\$397,199,591		\$382,017,062	\$382,017,062	\$383,071,777		\$383,071,777
Hastings College of the Law—Work Study and Library Grant.....	210	\$46,162		\$46,162	\$53,734		\$53,734	\$53,734		\$53,734
Trustees of the California State Colleges:										
State College System—Support.....	213		\$12,334,456	\$12,334,456		\$17,988,118	\$17,988,118		\$22,657,597	\$22,657,597
State College Foundations.....	315		17,361,354	17,361,354		16,989,000	16,989,000		15,990,000	15,990,000
Totals, State Colleges.....			\$29,695,810	\$29,695,810		\$34,977,118	\$34,977,118		\$38,647,597	\$38,647,597
California Maritime Academy.....	318	\$187,525		\$187,525	\$193,000		\$193,000	\$219,000		\$219,000
State Scholarship and Loan Commission:										
Grants from Federal Office of Education.....	324	91,862		91,862	79,116		79,116	92,601		92,601
Totals, Higher Education.....		\$720,593	\$426,895,401	\$427,615,994	\$676,185	\$416,994,180	\$417,670,365	\$808,840	\$421,719,374	\$422,528,214
FISCAL AFFAIRS:										
Department of Finance										
State Office of Planning.....	341		\$31,565	\$31,565						
HEALTH AND WELFARE:										
Human Relations Special Services.....	350	\$238,197		\$238,197						
Department of Human Resources Development										
California Commission on Aging										
Older American's Act.....	360	548,403		548,403	\$503,105		\$503,105	\$503,105		\$503,105
Department of Employment										
Unemployment Security Financing Act.....	362	22,528		22,528				35,931		35,931
Administration—Support.....	362	72,809,898		72,809,898	77,916,856		77,916,856	80,336,225		80,336,225
Work Incentive Program.....	362				13,200,000		13,200,000	13,200,000		13,200,000
Benefit Payments and Other Expenditures.....	362	419,280,388		419,280,388	430,000,000		430,000,000	451,700,000		451,700,000



# Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued

Department	Page reference	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		Grante	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total
STATE OPERATIONS—Continued										
HEALTH AND WELFARE—Continued										
Office of Economic Opportunity	375	460,662		460,662	485,669		485,669	511,831		511,831
Migrant Master Plan	375	1,195,574		1,195,574	2,032,156		2,032,156	850,265		850,265
Service Center Program—Program Augmentation	378							7,879		7,879
Service Center Program	378							5,033,579		5,033,579
Department of Mental Hygiene										
Departmental Administration										
Administration—Program Augmentation	387									
Administration	392	812,490		812,490	917,692		917,692	135,000		135,000
Special Project Activities	400		\$3,344,206	3,344,206		\$4,568,541	4,568,541	998,897		998,897
Neuropsychiatric Institutes									\$4,455,931	4,455,931
Department of the Navy	403		14,361	14,361						
Department of the Army	403		27,007	27,007						
Hospitals for the Mentally Ill										
East Bay Clinic at Napa	404	153,981		153,981			91,242			
Totals, Department of Mental Hygiene		\$966,471	\$3,355,574	\$4,352,045	\$1,008,934	\$4,568,541	\$5,577,475	\$1,133,897	\$4,455,931	\$5,589,828
Department of Public Health										
Public Health Services—Support	410	\$4,173,613	\$1,231,980	\$5,405,593	\$5,160,627	\$1,393,846	\$6,554,473	\$5,165,874	\$1,393,846	\$6,559,720
Special Project Activities	424		8,836,733	8,836,733		9,827,000	9,827,000		14,289,000	14,289,000
Totals, Public Health		\$4,173,613	\$10,068,713	\$14,242,326	\$5,160,627	\$11,220,846	\$16,381,473	\$5,165,874	\$15,682,846	\$20,848,720
Department of Rehabilitation:										
Cooperative Rehabilitation Services	426	\$7,919,261		\$7,919,261	\$10,339,930		\$10,339,930	\$12,419,264		\$12,419,264
Disability Certification Program	426	5,264,141		5,264,141	6,787,309		6,787,309	6,888,352		6,888,352
Department of Rehabilitation—Support	426	17,240,675		17,240,675	17,911,229		17,911,229	22,969,041		22,969,041
Totals, Vocational Rehabilitation	426	\$30,424,077		\$30,424,077	\$35,038,468		\$35,038,468	\$42,276,657		\$42,276,657
Department of Social Welfare:										
Public Assistance Programs:										
State Administration of Public Assistance—Program Augmentation	454									
Aid to the Blind										
Administration—Support	461	\$20,187		\$20,187	\$23,815		\$23,815	\$178,926		\$178,926
Aid to Families with Dependent Children								25,349		25,349
Administration—Support	461	529,553		529,553	624,719		624,719	664,946		664,946
Aid to the Disabled										
Administration—Support	461	187,685		187,685	221,413		221,413	235,670		235,670
Old Age Security										
Administration—Support	461	353,763		353,763	417,340		417,340	444,211		444,211
Supervision of Agencies and Licensing of Institutions	461	366,521		366,521	506,383		506,383	536,943		536,943
Unallocated Support	461	915,033		915,033	1,308,741		1,308,741	1,350,516		1,350,516
Division of Protective Social Service—Support	461	4,467,548		4,467,548	5,361,525		5,361,525	5,523,993		5,523,993
Service Center Program	461	88,089		88,089						
Totals, Public Assistance Programs		\$6,028,379		\$6,028,379	\$8,463,936		\$8,463,936	\$8,960,554		\$8,960,554

**Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued**

Department	Page reference	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total
STATE OPERATIONS—Continued										
HEALTH AND WELFARE—Continued										
Department of Social Welfare—Continued										
Child Welfare Services	461	668,067		\$668,067	\$640,000		\$640,000	\$675,000		\$675,000
Support.....		\$7,594,446		\$7,594,446	\$9,103,936		\$9,103,936	\$9,635,554		\$9,635,554
Totals, Department of Social Welfare.....		\$537,714,257	\$13,454,287	\$551,168,544	\$579,324,884	\$15,789,387	\$595,114,271	\$610,390,797	\$20,138,777	\$630,529,574
Totals, Health and Welfare.....										
DEPARTMENT OF INDUSTRIAL RELATIONS:										
Manpower Development and Training Act.....	462	688,850		688,850	505,493		505,493	345,865		345,865
Veterans Apprenticeship Training.....	462	92,704		92,704	183,170		183,170	163,088		163,088
Department of Industrial Relations—Support.....	467		54,126	54,126		56,832	56,832		56,832	56,832
Totals, Department of Industrial Relations.....		\$781,554	\$54,126	\$835,680	\$688,663	\$56,832	\$745,495	\$508,953	\$56,832	\$565,785
JUSTICE:										
Department of Justice										
Criminal Justice Information System Study.....	471	\$180,000		\$180,000	\$170,000		\$170,000			
Joint Council on Technology and Administration of Justice.....	471	7,275		7,275						
Services to National Crime Information Center.....	471	42,616		42,616						
Totals, Department of Justice.....		\$229,891		\$229,891	\$170,000		\$170,000			
Peaces Officers Standards and Training										
Law enforcement recruitment project.....	481	\$24,427		\$24,427	\$35,491		\$35,491	\$5,826		\$5,826
Totals, Justice.....		\$254,318		\$254,318	\$205,491		\$205,491	\$5,826		\$5,826
MILITARY DEPARTMENT:										
Military Department—Program Augmentation.....	486								\$3,117	\$3,117
Maintenances and Operations on Installations.....	486	\$676,486		\$676,486	\$719,796		\$719,796	\$756,128		756,128
Army National Guard										
Operational Support.....	486		(22,050,000)	(22,050,000)		(\$21,687,876)	(21,687,876)		(23,601,731)	(23,601,731)
Drill Pay.....	486		(9,600,000)	(9,600,000)		(11,060,000)	(11,060,000)		(12,230,000)	(12,230,000)
Air National Guard										
Operational Support.....	486		(9,489,433)	(9,489,433)		(10,183,803)	(10,183,803)		(10,540,412)	(10,540,412)
Drill Pay.....	486		(1,895,247)	(1,895,247)		(2,290,000)	(2,290,000)		(2,520,000)	(2,520,000)
Other Pay.....	486					(1,350,000)	(1,350,000)		(1,490,000)	(1,490,000)
Reimbursement for Civil Defense.....	490		\$14,660	14,660		16,160	16,160		16,467	16,467
Totals, Military Department.....		\$676,486	\$14,660	\$691,146	\$719,796	\$16,160	\$735,956	\$756,128	\$19,584	\$775,712
			(43,034,680)	(43,034,680)		(46,571,679)	(46,571,679)		(50,382,143)	(50,382,143)
REGULATION AND LICENSING:										
Department of Professional and Vocational Standards:										
Board of Nursing Education and Nurse Registration										
Demonstration Project in Specialized Training.....	537	\$19,270		\$19,270	\$12,500		\$12,500			



## Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued

Page reference	Department	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total
	STATE OPERATIONS—Continued									
	Resources:									
564	Department of Conservation—Support*.....	\$1,044,164	\$1,521,815	\$2,565,979	\$1,008,761	\$1,584,499	\$2,593,260	\$973,338	\$1,556,060	\$2,529,398
	Department of Fish and Game									
	Game Management.....	779,433	---	779,433	1,056,975	---	1,056,975	1,341,900	---	1,341,900
581	Fisheries Management.....	358,024	---	358,024	457,950	---	457,950	515,100	---	515,100
581	Commercial Fisheries Program.....	183,051	---	183,051	378,075	---	378,075	292,800	---	292,800
	Administration, Staff Operations, Marine Resources Opera- tions and Regional Operations.....	---	533,939	533,939	---	538,550	538,550	---	565,750	565,750
	Totals, Department of Fish and Game.....	\$1,320,508	\$533,939	\$1,854,447	\$1,893,000	\$538,550	\$2,431,550	\$2,149,800	\$563,750	\$2,715,550
621	Department of Parks and Recreation—Support.....	---	\$69,269	\$69,269	---	\$205,306	\$205,306	---	\$416,129	\$416,129
622	Department of Water Resources—Support.....	---	167,042	167,042	---	129,500	129,500	---	137,800	137,800
626	State Air Resources Board	---	400,961	400,961	---	---	---	---	868,781	868,781
	Special Project Activities.....	---	---	---	---	---	---	---	---	---
	Water Resources Control Board:	---	---	---	---	---	---	---	---	---
	Construction of Waste Treatment Plants.....	---	(13,912,000)	(13,912,000)	---	(15,283,490)	(15,283,490)	---	(15,000,000)	(15,000,000)
627	Water Resources Control Board—Support.....	\$538,357	---	538,357	\$565,300	---	565,300	\$623,900	---	623,900
627	San Francisco Bay Delta Water Quality Study.....	161,175	---	161,175	98,325	---	98,325	---	---	---
	Special Resources Services and Studies:	---	---	---	---	---	---	---	---	---
639	Interagencies Council on Ocean Resources.....	---	---	---	---	---	---	50,000	---	50,000
	Totals, Resources.....	\$3,064,204	\$2,693,026 (13,912,000)	\$5,757,230 (13,912,000)	\$3,565,386	\$2,991,638 (15,283,490)	\$6,557,024 (15,283,490)	\$3,797,038	\$2,544,520 (15,000,000)	\$7,341,558 (15,000,000)
641	TRANSPORTATION:	---	---	---	---	---	---	---	---	---
	Department of Aeronautics—Support.....	---	---	---	---	---	---	---	---	---
643	Special Transportation Services and Studies.....	---	---	---	---	---	---	---	---	---
	Department of Public Works	---	---	---	---	---	---	---	---	---
659	Supervision of Outdoor Advertising.....	---	---	---	---	---	---	---	---	---
	Totals, Transportation.....	---	---	---	---	---	---	---	---	---
	VETERANE AFFAIRS:	---	---	---	---	---	---	---	---	---
	Veterans' Home of California	---	---	---	---	---	---	---	---	---
670	Care and Maintenance of Veterans.....	\$1,405,888	---	\$1,405,888	\$1,878,870	---	\$1,878,870	\$2,017,155	---	\$2,017,155
675	MISCELLANEOUS:	---	---	---	---	---	---	---	---	---
678	California Arts Commission.....	\$30,383	---	\$30,383	\$30,909	---	\$30,909	\$44,500	---	\$44,500
	Chile-California Project.....	143,936	---	143,936	---	---	---	---	---	---
	Totals, Miscellaneous.....	\$183,319	---	\$183,319	\$30,909	---	\$30,909	\$44,500	---	\$44,500
	TOTALS, STATE OPERATIONS.....	\$562,588,875	\$445,301,321 (61,810,589)	\$1,007,890,196 (61,810,589)	\$603,782,911	\$438,738,865 (69,165,169)	\$1,042,521,776 (69,165,169)	\$632,016,854	\$448,175,840 (72,582,143)	\$1,080,192,664 (72,582,143)

• Clark McNary funds reported as a grant but for budgeting purposes accounted as revenues.

**Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued**

Page refer- ence	Department	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total
LOCAL ASSISTANCE										
Education:										
703	Department of Education	\$80,667,608		\$80,667,608	\$93,387,106		\$93,387,106	\$94,548,185		\$94,548,175
709	Compensatory Education	1,544,921		1,544,921	1,757,963		1,757,963	1,400,846		1,400,846
	Adult Basic Education									
	Totals, Department of Education	\$82,212,529		\$82,212,529	\$95,145,069		\$95,145,069	\$95,949,031		\$95,949,031
National Defense Education										
	Payment to School Districts, National Defense Education Program	\$7,440,293		\$7,440,293	\$3,178,243		\$3,178,243	\$3,019,822		\$3,019,822
710	School Lunch Program	6,188,903		6,188,903	6,300,000		6,300,000	6,300,000		6,300,000
711	Special Milk Program	9,295,789		9,295,789	9,300,000		9,300,000	9,300,000		9,300,000
	Vocational Education									
711	Reimbursement to School Districts	30,917,270		30,917,270	26,580,026		26,580,026	26,850,301		26,850,301
	Division of Libraries									
712	School Library Resources	9,068,345		9,068,345	4,183,011		4,183,011	4,166,500		4,166,500
	Totals, Education	\$145,123,129		\$145,123,129	\$144,686,349		\$144,686,349	\$145,585,654		\$145,585,654
Health and Welfare:										
713	Medical Fee and Related Services Cost Increase									
	Department of Health Care Services—Program Augmentation							\$8,418,000		\$8,418,000
716	Department of Health Care Services							27,403		27,403
	Department of Public Health	\$287,599,365		\$287,599,365	\$393,174,176		\$393,174,176	453,921,781		453,921,781
741	Care of Crippled Children	1,128,160		1,128,160	1,447,316		1,447,316	1,697,316		1,697,316
742	Assistance to Counties Without Local Health Departments	100,000		100,000	100,000		100,000	100,000		100,000
743	Assistance to Local Health Departments	2,621,871		2,621,871	3,076,184		3,076,184	3,076,184		3,076,184
744	Hospital Construction	18,814,989		18,814,989	17,810,865		17,810,865	28,333,869		28,333,869
	Totals, Department of Public Health	\$22,665,020		\$22,665,020	\$22,434,365		\$22,434,365	\$33,207,369		\$33,207,369
Department of Social Welfare										
Public Assistance Programs:										
	Aid to the Blind									
756	Assistance	\$10,016,430		\$10,016,430	\$10,549,100		\$10,549,100	\$11,157,200		\$11,157,200
756	Administration	1,409,662		1,409,662	1,582,308		1,582,308	1,661,423		1,661,423
	Totals, Aid to the Blind	\$11,426,092		\$11,426,092	\$12,131,408		\$12,131,408	\$12,818,623		\$12,818,623
Aid to Families with Dependent Children										
	Assistance	\$207,311,169		\$207,311,169	\$253,108,900		\$253,108,900	\$252,298,100		\$252,298,100
756	Administration	69,303,453		69,303,453	71,871,609		71,871,609	82,500,000		82,500,000
	Totals, Aid to Families with Dependent Children	\$276,614,622		\$276,614,622	\$324,980,509		\$324,980,509	\$334,798,100		\$334,798,100
Aid to the Disabled										
	Assistance	\$79,774,077		\$79,774,077	\$96,218,200		\$96,218,200	\$110,088,700		\$110,088,700
756	Administration	18,189,136		18,189,136	21,000,000		21,000,000	19,000,000		19,000,000
	Totals, Aid to the Disabled	\$97,963,213		\$97,963,213	\$117,218,200		\$117,218,200	\$129,088,700		\$129,088,700



Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued

Department	Page refer- ence	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total
LOCAL ASSISTANCE—Continued										
HEALTH AND WELFARE—Continued										
Department of Social Welfare—Continued										
Public Assistance Programs—Continued										
Old Age Security										
Assistance.....	756	\$178,167,653		\$178,167,653	\$188,418,500		\$188,418,500	\$199,885,700		\$199,885,700
Administration.....	756	12,784,721		12,784,721	19,800,000		19,800,000	19,000,000		19,000,000
Totals, Old Age Security.....		\$190,952,374		\$190,952,374	\$208,218,500		\$208,218,500	\$218,885,700		\$218,885,700
Unmet Shelter Needs—Program Augmentation.....										
Unmet Shelter Needs	756							\$1,907,241		\$1,907,241
Assistance.....	756				\$1,907,241		\$1,907,241			
Work Incentive Program:										
Administration.....	756				3,683,883		3,683,883	\$3,296,250		\$3,296,250
Aid Programs—Federal										
Assistance.....	756	\$2,250,939		\$2,250,939	3,258,939		3,258,939	4,266,939		4,266,939
Totals, Public Assistance Programs.....		\$579,207,240		\$579,207,240	\$671,398,680		\$671,398,680	\$705,061,553		\$750,061,553
Special Social Service Program—Program Augmentation.....	749									
Special Social Service Program.....	749	\$20,618,894		\$20,618,894	\$18,450,808		\$18,450,808	\$907,673		\$907,673
Special Social Service Program.....	755						70,000	15,981,926		15,981,926
Totals, Department of Social Welfare.....		\$599,826,134		\$599,826,134	\$689,849,488		\$689,919,488	\$721,951,152		\$722,021,152
Totals, Health and Welfare.....		\$910,080,519		\$910,080,519	\$1,105,458,029		\$1,105,528,029	\$1,217,525,705		\$1,217,586,705
RESOURCES:										
Beach Erosion Control.....			\$469,000	\$469,000						
Department of Parks and Recreation	761									
Land and Water Conservation Fund Act.....		\$3,133,239		3,133,239	\$3,779,828		3,779,828	\$2,397,985		\$2,397,985
Financial Assistance to Local Agencies for Small Craft Harbors										
Land and Water Conservation Fund Act.....	777							208,250		208,250
Totals, Resources.....		\$3,133,239	\$469,000	\$3,602,239	\$3,779,828	\$402,000	\$4,181,828	\$2,606,235		\$2,606,235
TRANSPORTATION:										
Department of Public Works										
Local Roads and Highways.....	788	\$7,735,262		\$7,735,262	\$1,076,603		\$1,076,603	\$10,913,000		\$10,913,000
Totals, Transportation.....		\$7,735,262		\$7,735,262	\$1,076,603		\$1,076,603	\$10,913,000		\$10,913,000
OTHER PURPOSES:										
Planning Grants for Local Jurisdictions.....	793	\$1,146,055		\$1,146,055	\$492,293		\$492,293	\$492,293		\$492,293
Storm and Flood Damage Repair.....	794	754,485		754,485	— 26,580		— 26,580			
Totals, Other Purposes.....		\$1,900,540		\$1,900,540	\$465,713		\$465,713	\$492,293		\$492,293

**Schedule 6—COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID—Continued**

Department	Page reference	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total	Grants	Reimburse- ments and special projects	Total
LOCAL ASSISTANCE—Continued										
SHARED REVENUES:										
Federal Receipts from Flood Control Land.....	796	\$112,402	-----	\$112,402	\$110,893	-----	\$110,893	\$111,000	-----	\$111,000
Federal Receipts from Forest Reserves.....	796	6,468,965	-----	6,468,965	8,605,082	-----	8,605,082	8,600,000	-----	8,600,000
Federal Receipts from Grazing Lands.....	796	58,433	-----	58,433	53,699	-----	53,699	55,000	-----	55,000
Federal Potash Lease Rentals.....	796	489,163	-----	489,163	449,717	-----	449,717	450,000	-----	450,000
Totals, Shared Revenues.....	-----	\$7,128,963	-----	\$7,128,963	\$9,219,391	-----	\$9,219,391	\$9,216,000	-----	\$9,216,000
TOTALS, LOCAL ASSISTANCE.....	-----	\$1,075,111,652	\$469,000	\$1,075,580,652	\$1,264,085,913	\$472,000	\$1,265,157,913	\$1,386,338,887	\$70,000	\$1,386,408,887
CAPITAL OUTLAY										
State Building Program.....	•	\$30,933,878	-----	\$30,933,878	\$82,962,409	-----	\$82,962,409	\$30,385,880	-----	\$30,385,880
State Highway Program.....	•	379,570,110	-----	379,570,110	417,595,542	-----	417,595,542	415,060,734	-----	415,060,734
Wildlife Conservation Program.....	•	39,875	-----	39,875	1,066,500	-----	1,066,500	-----	-----	-----
Parks and Recreation Acquisition and Development Program.....	•	1,500,000	-----	1,500,000	65,000	-----	65,000	-----	-----	-----
California Water Facilities Program.....	•	12,483,012	-----	12,483,012	13,189,275	-----	13,189,275	11,471,500	-----	11,471,500
Totals, Capital Outlay.....	-----	\$424,526,875	-----	\$424,526,875	\$514,878,726	-----	\$514,878,726	\$456,918,114	-----	\$456,918,114
TOTAL EXPENDITURES:	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
State Operations.....	-----	\$562,588,875	\$445,301,321	\$1,007,890,196	\$603,782,911	\$438,738,865	\$1,042,521,776	\$632,016,824	\$448,175,840	\$1,080,192,664
Local Assistance.....	-----	1,075,111,652	(61,810,589)	(61,810,589)	1,264,085,913	(69,165,69)	(69,165,169)	1,386,338,887	(72,582,143)	(72,582,143)
Capital Outlay.....	-----	424,526,875	469,000	1,075,580,652	514,878,726	472,000	1,265,157,913	456,918,114	70,000	1,386,408,887
TOTALS, EXPENDITURES.....	-----	\$2,062,227,402	-----	\$2,507,987,723	\$2,383,347,550	-----	\$2,822,558,415	\$2,475,273,825	-----	\$2,923,519,665
	-----		b (62,839,674)	b (62,839,674)		(2,394,831)	b (71,530,000)	b (74,004,643)		b (74,004,643)

<sup>b</sup> Federal funds not included in overall budget totals and not reported in detailed budget schedules and not summarized in the Reconciliation with Appropriations.

<sup>c</sup> See Capital Outlay Budget for details.



# Schedule 7—SUMMARY OF PROPOSED EXPENDITURES BY METHOD OF APPROPRIATION FOR THE FISCAL YEAR 1969-70

Function	Proposed Budget Act of 1969			Constitution and Statutory Authorizations			Prior Year Appropriations, Continuing Appropriations and Reappropriations			Governmental Cost Funds Total	Total
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total		
<b>STATE OPERATIONS</b>											
<b>CURRENT EXPENSES:</b>											
Legislative.....	\$24,092,519	-----	\$24,092,519	\$1,945,000	-----	\$1,945,000	-----	-----	-----	\$26,037,519	\$26,037,519
Judicial.....	7,528,094	\$10,145	7,538,239	154,183	-----	154,183	-----	-----	-----	7,692,422	7,692,422
Executive.....	3,446,864	104,405	3,551,269	-----	-----	-----	-----	-----	-----	3,551,269	3,551,269
General Administration.....	14,106,548	3,223,941	17,330,489	-----	\$8,944	8,944	-----	-----	-----	17,339,433	17,339,433
Agriculture.....	12,265,558	12,438,616	24,704,174	-----	2,898,700	2,898,700	-----	-----	-----	27,602,874	27,602,874
Commerce.....	862,274	620,202	1,482,476	-----	-----	-----	-----	-----	-----	1,482,476	1,482,476
Corrections.....	143,080,388	-----	143,080,388	-----	-----	-----	-----	-----	-----	143,080,388	143,080,388
Education.....	17,109,359	-----	17,109,359	2,796,991	-----	2,796,991	-----	-----	-----	19,906,350	19,906,350
Higher Education.....	607,900,858	233,200	608,134,058	-----	3,195,011	3,195,011	-----	-----	-----	611,329,069	611,329,069
Fiscal Affairs.....	53,978,252	3,560,524	57,538,776	-----	-----	-----	-----	-----	-----	57,538,776	57,538,776
Fiscal Affairs—Bond Funds.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	16,166
Health and Welfare.....	160,425,403	908,457	161,333,860	-----	-----	-----	\$446,422	-----	446,422	161,780,282	161,780,282
Industrial Relations.....	25,128,460	121,400	25,249,860	-----	-----	-----	-----	-----	-----	25,249,860	25,249,860
Justice.....	22,535,881	3,066,862	25,602,743	-----	-----	-----	-----	-----	-----	25,602,743	25,602,743
Military Affairs.....	4,619,692	-----	4,619,692	-----	-----	-----	-----	-----	-----	4,619,692	4,619,692
Regulation and Licensing.....	20,391,429	23,860,155	44,251,584	-----	-----	-----	75,000	-----	75,000	44,326,584	44,326,584
Resources.....	75,505,233	18,792,854	94,298,087	-----	-----	-----	80,000	-----	80,000	94,378,087	94,378,087
Transportation.....	-----	179,323,104	179,323,104	-----	102,496,027	102,496,027	-----	134,000	134,000	281,953,131	281,953,131
Veterans Affairs.....	8,110,493	-----	8,110,493	-----	-----	-----	-----	-----	-----	8,110,493	8,110,493
Miscellaneous.....	1,816,136	-----	1,816,136	-----	-----	-----	-----	-----	-----	1,816,136	1,816,136
Debt Service.....	3,000,000	-----	3,000,000	92,207,943	-----	92,207,943	-----	-----	-----	95,207,943	95,207,943
Unallocated.....	59,124,125	20,904,900	80,029,025	-----	-----	-----	-----	-----	-----	80,029,025	80,029,025
Unallocated—Bond Funds.....	-----	(8,225)	(8,225)	-----	-----	-----	-----	-----	-----	-----	8,225
Credits to General Fund for overhead services charged to agencies supported from Special Funds <sup>a</sup> .....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Estimated Unidentified Savings <sup>a</sup> .....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
<b>TOTALS, STATE OPERATIONS</b>	\$1,248,227,566	\$267,168,765	\$1,515,396,331	\$97,104,117	\$108,598,682	\$205,702,799	\$601,422	\$134,000	\$735,422	\$1,721,834,552	\$1,721,834,552
General Fund.....	\$1,248,227,566	-----	-----	\$97,104,117	-----	-----	\$601,422	-----	-----	\$1,845,933,106	\$1,845,933,106
Special Funds.....	-----	\$267,168,765	-----	-----	\$108,598,682	-----	-----	\$134,000	-----	\$76,901,447	\$76,901,447
State Construction Program Fund.....	-----	(8,225)	-----	-----	-----	-----	-----	(10,412)	-----	18,637	18,637
State Beach, Park, Recreational and Historical Facilities Fund.....	-----	-----	-----	-----	-----	-----	-----	(5,764)	-----	5,764	5,764
<b>LOCAL ASSISTANCE</b>											
<b>SUBVENTIONS:</b>											
Agriculture.....	-----	\$192,500	\$192,500	-----	-----	-----	-----	-----	-----	-----	-----
Corrections.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Education.....	18,027,975	-----	18,027,975	-----	-----	-----	-----	-----	-----	-----	-----
Health and Welfare.....	150,273,216	-----	150,273,216	\$81,449,305,156	3,325,000	1,452,630,156	-----	-----	-----	18,117,975	18,117,975
Resources.....	590,284,394	-----	590,284,394	540,695,700	-----	540,695,700	-----	-----	-----	1,603,203,372	1,603,203,372
Resources—Bond Funds.....	10,662,500	-----	10,662,500	-----	4,000,000	4,000,000	-----	-----	-----	1,130,980,094	1,130,980,094
Transportation.....	(7,328,975)	-----	(7,328,975)	-----	-----	-----	-----	-----	-----	14,381,903	14,381,903
Property Tax Relief.....	191,500,000	1,100,000	191,500,000	-----	16,555,213	16,555,213	-----	-----	-----	20,105,213	20,105,213
	-----	-----	-----	-----	-----	-----	34,800,000	\$2,450,000	2,450,000	234,518,654	234,518,654

<sup>a</sup> Not budget act items.

<sup>b</sup> These are Constitutional and Statutory Authorizations which are appropriated as Budget Act items.

**Schedule 7—SUMMARY OF PROPOSED EXPENDITURES BY METHOD OF APPROPRIATION FOR THE FISCAL YEAR 1969-70—Continued**

Function	Proposed Budget Act of 1969			Constitution and Statutory Authorizations			Prior Year Appropriations, Continuing Appropriations and Reappropriations			Governmental Cost Funds Total	Total
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total		
<b>LOCAL ASSISTANCE—Continued</b>											
<b>SUBVENTIONS—Continued</b>											
Other Purposes.....	10,703,376	4,927,400	15,630,776	1,736,514	—653,368	1,078,146	—116,952	—	—116,952	16,591,970	16,591,970
Shared Revenues.....				200,000	594,800,000	595,000,000				595,000,000	595,000,000
<b>TOTALS, LOCAL ASSISTANCE</b>	\$971,431,007	\$6,219,900	\$977,650,907	\$1,991,937,370	\$920,369,645	\$2,612,306,915	\$34,792,451	\$10,663,654	\$45,456,105	\$3,635,418,927	\$3,642,747,902
<b>General Fund.....</b>	<b>\$971,431,007</b>			<b>\$1,991,937,370</b>			<b>\$34,792,451</b>			<b>\$2,998,160,828</b>	<b>\$2,998,160,828</b>
<b>Special Funds.....</b>		<b>\$6,219,900</b>			<b>\$920,369,645</b>			<b>\$10,663,654</b>		<b>\$637,258,099</b>	<b>\$637,258,099</b>
State Beach, Park, Recreational and Historical Facilities Fund.....		(7,328,976)									7,328,976
<b>CAPITAL OUTLAY</b>											
State Building Program.....	\$78,547,862	\$16,926,175	\$95,474,037				\$600,000	\$3,028,000	\$3,628,000	\$99,102,037	\$99,102,037
State Building Program Bonds.....		(31,158,625)	(31,158,625)					(9,670,100)	(9,670,100)	40,828,725	40,828,725
District Fair Construction Program.....					\$1,538,400	\$1,538,400				1,538,400	1,538,400
State Highway Program.....					325,563,000	325,563,000				325,563,000	325,563,000
Wildlife Conservation Program.....		3,115,600	3,115,600		780,025	780,025		76,000	76,000	3,971,625	3,971,625
Wildlife Conservation Program—Bond Funds.....		(1,181,349)	(1,181,349)								1,181,349
Parks and Recreation Acquisition and Development Program.....	7,472,049		7,472,049				661,645		661,645	8,133,694	8,133,694
Parks and Recreation Acquisition and Development Program Bonds.....		(4,520,076)	(4,520,076)							4,520,076	4,520,076
California Water Facilities Program.....	3,375,202		3,375,202							3,375,202	3,375,202
California Water Facilities Program—Bond Funds.....								(372,812,165)	(372,812,165)	372,812,165	372,812,165
<b>TOTALS, CAPITAL OUTLAY</b>	\$89,395,113	\$20,041,775	\$109,436,888		\$327,881,425	\$327,881,425	\$1,261,645	\$3,104,000	\$4,365,645	\$441,683,958	\$891,026,373
<b>General Fund.....</b>	<b>\$89,395,113</b>			<b>\$1,056,849,652</b>			<b>\$1,261,645</b>			<b>\$90,666,768</b>	<b>\$90,666,768</b>
<b>Special Funds.....</b>		<b>\$20,041,775</b>								<b>\$51,027,200</b>	<b>\$51,027,200</b>
State Construction Program Fund.....		(831,158,625)									40,828,725
Central Valley Water Project Construction Fund.....								(70,121,685)			70,121,685
California Water Resources Development Bond Fund.....								(302,690,480)			302,690,480
State Beach, Park, Recreational and Historical Facilities Fund.....		(5,701,426)									5,701,426
<b>TOTALS, EXPENDITURES</b>	\$2,309,053,686	\$293,430,440	\$2,602,484,126	\$2,089,041,487	\$1,056,849,652	\$3,145,891,139	\$36,655,518	\$13,906,654	\$50,562,172	\$5,798,937,437	\$6,225,633,118
<b>General Fund.....</b>	<b>\$2,309,053,686</b>			<b>\$2,089,041,487</b>			<b>\$36,655,518</b>			<b>\$4,434,760,691</b>	<b>\$4,434,760,691</b>
<b>Special Funds.....</b>		<b>\$293,430,440</b>			<b>\$1,056,849,652</b>			<b>\$13,906,654</b>		<b>1,364,186,746</b>	<b>1,364,186,746</b>
State Construction Program Fund.....								(9,680,612)			40,847,582
Central Valley Water Project Construction Fund.....		(51,166,850)						(70,121,685)			70,121,685
California Water Resources Development Bond Fund.....								(302,690,480)			302,690,480
State Beach, Park, Recreational and Historical Facilities Fund.....		(13,080,400)						(5,764)			13,086,154



## Schedule 8

**COMPARATIVE STATEMENT OF EXPENDITURES AUTHORIZED BY THE BUDGET ACT AND EXPENDITURES REQUIRED BY THE  
CONSTITUTION OR OTHER STATUTES FOR THE FISCAL YEARS 1967-68, 1968-69, AND 1969-70**

Purpose and Legal Citation	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
<b>CONSTITUTIONAL AND STATUTORY AUTHORIZATIONS</b>									
<b>REQUIRED BY CONSTITUTION:</b>									
Debt Service:									
Bond Interest and Redemption:									
Various Bond Acts Ratified in the Constitution.....	\$67,330,549		\$67,330,549	\$78,171,414		\$78,171,414	\$92,207,943		\$92,207,943
Public School Buildings Bonds Ratified in the Constitution.....	53,175,487		53,175,487	53,616,062		53,616,062	55,061,556		55,061,556
Apportionment to Public Schools:									
Article IX, Section 6 of the State Constitution.....	\$52,650,280		\$52,650,280	\$88,910,020		\$88,910,020	\$907,200,000		\$907,200,000
Totals, Constitutional Requirement.....	\$973,156,316		\$973,156,316	\$1,020,697,496		\$1,020,697,496	\$1,054,469,499		\$1,054,469,499
<b>AUTHORIZED BY STATUTES:</b>									
Legislative:									
Salaries of State Legislature:									
Section 8901, Government Code.....	\$1,938,230		\$1,938,230	\$1,940,000		\$1,940,000	\$1,945,000		\$1,945,000
Judicial:									
Supreme and Appellate Courts:									
Contributions to Judges Retirement Fund, Section 75101, Government Code.....	111,680		111,680	149,488		149,488	154,183		154,183
General Administration:									
Department of General Services:									
State Exposition and Fair Executive Committee									
Section 3557, Agricultural Code, Capital Outlay.....		\$5,600,000	5,600,000						
Office of Local Assistance, Section 186.95(a) (b), Streets and Highways Code.....		19,421	19,421		\$9,156	9,156		\$8,944	8,944
Agriculture:									
District Agricultural Fairs:									
Sections 19622 and 19627, Business and Professions Code.....		3,061,800	3,061,800		2,999,970	2,999,970		2,898,700	2,898,700
Section 19630, Business and Professions Code and Section 4002, Agricultural Code, Capital Outlay.....		1,114,103	1,114,103		3,242,388	3,242,388		1,538,400	1,538,400
County Agricultural Fairs:									
Sections 19622, 19626, 19627 and 19630, Business and Professions Code and Sections 25902 and 25903, Government Code.....		3,243,394	3,243,394		2,913,500	2,913,500		2,347,700	2,347,700
Education:									
Department of Education:									
Credentialed Fees, Section 13183, Education Code and Chapter 1674, Statutes of 1967.....				2,363,465		2,363,465	2,796,991		2,796,991
State Colleges:									
State College Extension Programs:									
Section 23753.3, Education Code.....		254,869	254,869		2,457,016	2,457,016		3,195,011	3,195,011
Apportionment to Public Schools:									
Sections 17301, 18251, 18303, 6421-6434, Education Code.....		3,124,688	410,033,197	378,413,980	4,874,954	383,288,934	15,000,000	3,325,000	18,325,000
Sections 17301, 18303, 6421-6434, Education Code.....	406,908,509						1470,043,600		1470,043,600
Assistance to New Junior Colleges:									
Section 20211, Education Code.....	1,774,486		1,774,486	4,304,841		4,304,841	2,000,000		2,000,000

\* These are Constitution and Statutory Authorizations which are appropriated as Budget Act items.

# Schedule 8---EXPENDITURES BY BUDGET ACT, CONSTITUTION OR OTHER STATUTES---Continued

Purpose and Legal Citation	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
<b>CONSTITUTIONAL AND STATUTORY AUTHORIZATIONS</b> ---Continued									
<b>AUTHORIZED BY STATUTES---Continued</b>									
Health and Welfare:									
Department of Health Care Services:									
Chapter 4, Statutes of 1965, Second Extraordinary Session, Section 14137, Welfare and Institutions Code.....	208,078,766		208,078,766						
Public Assistance Programs:									
Aid to Blind:									
Sections 15202 and 15203, Welfare and Institutions Code.....	7,792,770		7,792,770	8,364,500		8,364,500	8,874,300		8,874,300
Aid to Disabled:									
Section 15204, Welfare and Institutions Code.....	75,134,590		75,134,590	89,992,200		89,992,200	102,965,200		102,965,200
Aid to Families with Dependent Children:									
Section 11200, Welfare and Institutions Code.....	157,892,664		157,892,664	198,609,200		198,609,200	255,757,600		255,757,600
Old Age Security:									
Section 15201, Welfare and Institutions Code.....	152,862,056		152,862,056	163,451,300		163,451,300	173,098,600		173,098,600
Resources:									
Department of Harbors and Watercraft:									
Section 8352(g), Revenue and Taxation Code.....		4,000,000	4,000,000		4,000,000	4,000,000		4,000,000	4,000,000
Wildlife Conservation Board:									
Section 1352, Fish and Game Code.....		671,341	671,341		759,000	759,000		780,025	780,025
Transportation:									
State Highways:									
Section 183, Streets and Highways Code, and Section 5323, Business and Professions Code.....		93,209,082	93,209,082		98,643,456	98,643,456		102,496,027	102,496,027
Section 189, Streets and Highways Code, Capital Outlay.....		332,336,131	332,336,131		513,089,763	513,089,763		325,563,000	325,563,000
Sections 2210.5 and 143.3, Streets and Highways Code.....		7,052,618	7,052,618		9,114,851	9,114,851		9,497,000	9,497,000
Section 190, Streets and Highways Code.....		4,930,145	4,930,145		5,069,855	5,069,855		5,000,000	5,000,000
Section 1231.1, Public Utilities Code.....					370,000	370,000		440,000	440,000
County Airports:									
Section 8352, Revenue and Taxation Code and Section 21681, Public Utilities Code.....		1,176,988	1,176,988		1,600,767	1,600,767		1,618,213	1,618,213
Miscellaneous and Other Purposes:									
Judges of Superior and Municipal Courts:									
Contribution to Judges' Retirement Fund, Section 75101, Government Code.....	1,377,770		1,377,770	1,681,112		1,681,112	1,736,514		1,736,514
Personal Services Not Elsewhere Classified:									
Retirement Contributions, Section 20922, Government Code.....	10,000		10,000	10,000		10,000			
Storm and Flood Damage Repair, Section 186.95, Streets and Highways Code.....		694,052	694,052		133,147	133,147		---658,368	---658,368
Shared Revenues:									
Apportionment of Liquor License Fees:									
Section 25761, Business and Professions Code.....		12,059,888	12,059,888		11,900,000	11,900,000		12,500,000	12,500,000
Apportionment of Motor Vehicle License Fees (In Lieu Tax):									
Sections 11003.3 and 11005, Revenue and Taxation Code.....		196,365,525	196,365,525		211,600,000	211,600,000		222,800,000	222,800,000



# **Schedule 8—EXPENDITURES BY BUDGET ACT, CONSTITUTION OR OTHER STATUTES—Continued**

Purpose and Legal Citation	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
<b>CONSTITUTIONAL AND STATUTORY AUTHORIZATIONS</b>									
—Continued									
<b>AUTHORIZED BY STATUTE—Continued</b>									
Shared Revenues—Continued									
Apportionment of Cigarette Tax:									
Section 3046(e) and 30133, Revenue and Taxation Code.		45,813,613	45,813,613		70,509,842	70,509,842		72,600,000	72,600,000
Apportionment of Highway Properties Rental Receipts:									
Section 104.10, Streets and Highways Code.		699,412	699,412		1,258,973	1,258,973		1,300,000	1,300,000
Apportionment of Tideland Revenues:									
Section 6817, Public Resources Code.	245,251		245,251	200,000		200,000	200,000		200,000
Apportionment of Motor Vehicle Fuel Taxes to Counties:									
Sections 2104, 2105, and 2106, Streets and Highways Code.		123,958,201	123,958,201		130,200,000	130,200,000		138,200,000	138,200,000
Apportionment of Motor Vehicle Fuel Taxes to Cities:									
Sections 194, 2107, and 2107.5, Streets and Highways Code.		85,658,898	85,658,898		59,694,079	59,694,079		62,300,000	62,300,000
Apportionment of Motor Vehicle Fuel Taxes to Cities and Counties:									
Section 2106, Streets and Highways Code.		79,723,127	79,723,127		83,300,000	83,300,000		87,100,000	87,100,000
<b>TOTALS, STATUTORY AUTHORIZATIONS</b>	\$1,014,126,772	\$1,004,767,296	\$2,018,894,068	\$849,480,086	\$1,217,740,717	\$2,067,220,803	\$1,034,571,988	\$1,056,849,652	\$2,091,421,640
<b>TOTALS, REQUIRED BY CONSTITUTIONAL AND AUTHORIZED BY STATUTE</b>	\$1,987,283,088	\$1,004,767,296	\$2,992,050,384	\$1,870,177,582	\$1,217,740,717	\$3,087,918,299	\$2,089,041,487	\$1,056,849,652	\$3,145,891,139
<i>State Operations</i>	\$69,890,459	\$86,545,172	\$166,435,631	\$82,634,367	\$104,109,538	\$186,743,905	\$97,104,117	\$108,508,682	\$205,702,799
<i>Local Assistance</i>	1,917,892,629	688,500,549	2,486,393,178	1,787,543,215	696,539,968	2,384,083,183	1,891,937,370	630,369,545	2,512,306,915
<i>Capital Outlay</i>		\$389,721,575	\$389,721,575		617,091,151	617,091,151		\$27,881,425	\$27,881,425
<b>BUDGET ACT AUTHORIZATIONS</b>									
Expenditures from appropriations and authorizations which are subject to legislative or executive determinations, including Budget Act appropriations, special appropriations, balances available in prior year appropriations made available for expenditure for more than one fiscal year, and deficiency authorizations.									
<i>State Operations</i>	\$1,039,837,183	\$189,764,881	\$1,229,602,064	\$1,193,290,401	\$226,398,877	\$1,419,689,278	\$1,248,888,988	\$267,802,765	\$1,516,181,753
<i>Local Assistance</i>	223,439,645	1,865,567	230,305,202	862,695,686	—40,005,513	812,690,013	1,006,223,428	16,888,554	1,023,112,012
<i>Capital Outlay</i>	17,249,378	15,171,875	\$2,421,253	83,550,104	61,732,692	145,282,796	90,656,758	\$3,145,775	113,802,533
<b>TOTALS, BUDGET ACT AUTHORIZATIONS</b>	\$1,285,526,206	\$206,802,313	\$1,492,328,519	\$2,129,536,081	\$238,126,056	\$2,367,662,087	\$2,345,709,204	\$307,337,094	\$2,653,046,298
<b>TOTALS, EXPENDITURES</b>	\$3,272,809,294	\$1,211,569,609	\$4,484,378,903	\$3,999,713,613	\$1,455,866,773	\$5,455,580,386	\$4,434,750,691	\$1,364,186,746	\$5,798,937,437

## Schedule 9

## EXPENDITURES FOR THE 1967-68 AND 1968-69 FISCAL YEARS—RECONCILIATION OF THE CHANGES FROM THE PREVIOUS BUDGET ESTIMATES

1968-69 Fiscal Year													
	1968-69 Governor's Budget Estimated Expenditures	Savings	1969-70 Governor's Budget Actual	1968-69 Budget as Submitted	Effect of Legislative Action	Total Proposed Expenditures	Prior Year Balance Forward Adjustments	Transfers	Allocations	Deficiency Appropriations	Continuing Appropriation Augmentation	Estimated Savings	Estimated Expenditures
GENERAL FUND													
STATE OPERATIONS													
Legislative.....	\$22,193,497	—\$92,593	\$22,100,904	\$22,660,140	\$1,090,690	\$23,750,740	\$1,417,915	—	\$110,551	—	—	—\$1,418,202	\$23,860,104
Judicial.....	5,499,870	—63,918	5,435,958	5,786,972	502,000	6,288,972	—	—	487,840	—	\$37,808	—	6,814,020
Executive.....	3,081,643	—217,606	2,863,947	3,109,634	32,135	3,141,769	—	\$74,334	70,922	—	—	—30,954	3,256,071
General Administration.....	12,113,260	—1,269,028	10,844,241	12,834,024	—10,694	12,823,330	85,816	189,778	917,922	—	—	—2,199	14,014,647
Agriculture.....	12,098,266	—700,099	12,207,267	12,539,849	—1,221,897	11,317,952	18,251	—	694,841	—	—	—193,594	11,837,450
Commerce.....	854,464	—46,755	807,709	1,327,017	—530,715	787,302	—	83,649	17,747	—	—	—	888,698
Corrections.....	123,510,237	—1,865,896	121,644,371	127,718,729	923,230	128,641,956	—	—	6,428,298	—	—249,733	—154,078	134,969,443
Education.....	16,012,500	—898,098	15,204,501	14,983,969	281,991	15,265,960	73,844	—	804,324	—	2,393,465	—214,116	18,363,477
Higher Education.....	447,970,609	—4,367,982	443,602,627	515,756,707	—2,801,165	512,955,632	16,925	—	28,610,700	\$572,182	—	—197,711	541,967,707
Fiscal Affairs.....	44,815,586	—2,094,226	42,719,360	49,625,126	—439,300	49,185,826	—	—157,983	2,096,396	—	—	—41,302	51,682,937
Health and Welfare.....	228,169,777	—2,601,818	225,567,959	231,315,488	7,782,567	239,098,055	46,813	58,657	10,370,704	—	—	—1,770,102	247,804,187
Industrial Relations.....	23,280,202	—828,997	22,451,205	23,340,005	58,205	23,398,210	—	—	1,105,568	—	—	—54,309	24,449,469
Justice.....	16,900,447	—667,230	16,233,217	18,219,236	—306,647	17,912,589	75,000	—	1,289,642	—	—	—	19,277,231
Military Affairs.....	3,826,401	—80,974	3,745,427	4,036,564	—	4,036,564	—	—	264,923	—	—	—14,889	4,276,598
Regulation and Licensing.....	16,209,404	—501,551	14,707,853	16,386,647	—12,041	15,373,706	2,336	3,003,080	915,475	—	—	—422,910	19,471,687
Resources.....	69,180,485	—1,586,800	67,599,685	67,709,427	468,422	68,177,849	—	—	4,889,097	—	—	—144,102	72,922,844
Transportation.....	—	—	—	6,300	6,300	6,300	—	—	—	—	—	—	6,300
Veterans Affairs.....	8,005,035	—215,627	7,789,408	8,019,149	114,625	8,133,674	—	—	267,735	—	—	—460,128	7,881,281
Miscellaneous.....	1,373,566	—68,750	1,304,816	2,410,415	—1,010,400	1,500,015	—13,403	—	56,946	—	—	4,158	1,547,716
Debt Service.....	82,160,474	—1,998,910	80,161,564	89,030,453	—	89,030,453	—	—	—	—	1,935,398	—10,470,437	80,495,414
Unallocated.....	667,919	—566,258	101,661	58,715,254	916,212	59,631,466	—	—	—	4,570,000	—	—78,544	1,996,797
Pro Rata General Fiscal Charges.....	—9,000,000	972,887	—8,027,113	—9,500,000	—	—9,500,000	—	—	—	—	—	500,000	—9,000,000
Estimated Unidentified Savings.....	—3,900,000	3,090,000	—	—7,500,000	—	—7,500,000	—	—	—	—	—	5,000,000	—2,500,000
Totals, State Operations.....	\$1,125,988,066	—\$16,701,024	\$1,109,227,642	\$1,208,524,892	\$4,933,428	\$1,273,458,320	\$1,722,597	\$3,851,515	—\$2,176,365	\$5,142,182	\$4,089,938	—\$10,163,419	\$1,275,924,768
LOCAL ASSISTANCE													
Agriculture.....	—\$14,300	—\$1,485	—\$15,785	—\$5,800	—\$65,000	—\$70,800	—	—	—	—	—	—\$554	—\$71,354
Corrections.....	8,373,702	—999,351	7,464,411	11,322,330	1,459,000	12,781,330	—	—	—	—	—	—1,409,285	11,372,065
Education.....	1,375,690,408	62,302,819	1,437,990,227	1,444,965,976	7,210,112	1,452,185,088	—	—	\$6,422	—	\$29,916,241	—1,284,445	1,480,823,306
Health and Welfare.....	768,154,914	—88,632,230	679,522,684	858,753,977	7,321,597	866,075,274	—	\$941,343	94,369	—	22,963,000	—395,211	889,680,775
Resources.....	10,288,500	—25,476	10,263,024	—1,800,000	13,105,400	11,305,400	\$23,002	—	—	—	—	—	11,328,402
Transportation.....	2,785,021	—1,159,921	1,625,099	—	—	—	1,159,921	—	—	—	—	—	1,159,921
Property Tax Relief.....	—	—	—	216,106,992	29,750,000	245,856,992	—	—1,000,000	—	—	2,321,579	—13,300,000	233,878,571
Other Purposes.....	9,299,515	—72,053	9,227,462	9,000,336	1,701	9,698,037	—	—	2,025,466	—	232,051	1,501	11,867,055
Shared Revenues.....	203,000	42,251	245,251	203,000	—	203,000	—	—	—	—	—	—3,000	200,000
Totals, Local Assistance.....	\$2,174,787,720	—\$28,455,446	\$2,146,332,274	\$2,539,152,511	\$58,791,810	\$2,597,944,321	\$1,182,923	—\$58,657	\$2,126,257	—	\$55,432,871	—\$16,388,974	\$2,640,238,741
Totals, Capital Outlay.....	\$27,493,044	—\$10,243,656	\$17,249,378	\$30,402,220	—\$17,892,330	\$72,509,890	\$12,429,746	—\$189,778	\$50,108	—	\$1,410,000	—\$2,659,892	\$83,550,104
Totals.....	\$3,328,269,430	—\$55,460,136	\$3,272,809,294	\$3,898,079,623	\$45,832,908	\$3,943,912,531	\$15,335,266	\$3,603,080	—	\$5,142,182	\$60,932,809	—\$29,212,255	\$3,999,713,613



**Schedule 9—EXPENDITURES FOR THE 1967-68 AND 1968-69 FISCAL YEARS—RECONCILIATION OF THE CHANGES FROM THE  
PREVIOUS BUDGET ESTIMATES—Continued**

	1967-68 Fiscal Year			1968-69 Fiscal Year									
	Governor's Budget Estimated Expenditures	Savings	1969-70 Governor's Budget Actual	1968-69 Budget as Submitted	Effect of Legislative Action	Total Proposed Expenditures	Prior Year Balance Forward Adjustments	Transfers	Allocations	Deficiency Appropriations	Continuing Appropriation Augmentation	Estimated Savings	Estimated Expenditures
SPECIAL FUNDS													
STATE OPERATIONS													
Legislative.....	\$310,137	—\$3,119,421	—\$2,809,284	\$284,795	-----	\$284,795	\$1,572,385	-----	\$3,383	-----	-----	—\$649,621	\$1,307,059
Executive.....	80,313	—2,041	78,272	95,540	-----	95,540	-----	-----	554,355	-----	-----	—14,630	98,923
General Administration.....	4,452,761	—321,836	4,130,925	2,109,589	\$1,022,000	3,131,589	111	-----	-----	-----	-----	-----	3,071,625
Agriculture.....	13,301,107	—488,283	12,812,824	13,870,195	—150,093	13,720,102	—141,000	-----	1,308,138	-----	-----	269,774	15,157,014
Commerce.....	480,291	—2,275	484,016	-----	574,914	574,914	-----	-----	42,062	-----	-----	-----	617,566
Higher Education.....	1,274,135	—752,706*	521,369	2,653,286	-----	2,653,286	-----	-----	-----	-----	\$70,230	—33,300	2,690,216
Fiscal Affairs.....	7,597,634	—137,908	7,459,720	3,657,101	240,562	3,897,663	-----	-----	131,885	-----	-----	—88,469	3,941,079
Health and Welfare.....	739,225	—45,331	693,894	817,445	30,200	847,645	-----	-----	90,338	-----	-----	—59,374	878,009
Industrial Relations.....	170,222	—5,722	164,500	192,010	—79,510	112,500	-----	-----	8,700	-----	-----	-----	121,200
Justice.....	119,345	7,758	127,103	160,253	1,200,572	1,360,825	-----	-----	102,078	-----	-----	—16,860	1,446,053
Regulation and Licensing.....	26,177,506	—1,567,294	24,610,212	27,408,924	—377,229	27,031,695	-----	—\$3,621,364	1,087,357	-----	-----	—466,498	24,031,290
Resources.....	14,590,172	—314,488	14,275,684	16,695,382	308,908	17,004,290	-----	18,274	590,564	-----	-----	—174,072	17,439,056
Transportation.....	236,169,541	—12,425,678	223,743,863	250,006,587	4,984,198	254,990,885	445,602	-----	7,814,081	-----	1,127,104	—5,397,089	258,980,983
Miscellaneous.....	-----	-----	-----	1,276,000	-----	1,276,000	-----	-----	-----	-----	-----	-----	-----
Unallocated.....	23,780	—5,831	17,949	20,210,422	55,214	20,265,635	-----	-----	—9,786,888	\$4,000	-----	—10,355,256	127,692
Totals, State Operations.....	\$305,492,169	—\$19,182,116	\$280,310,053	\$339,437,629	\$7,809,736	\$347,247,365	\$1,978,098	—\$3,603,080	\$1,946,843	\$4,000	\$1,197,334	—\$18,292,085	\$330,608,475
LOCAL ASSISTANCE													
Agriculture.....	\$3,951,762	—\$522,468	\$3,429,294	\$2,644,500	-----	\$2,644,500	\$400,000	-----	-----	-----	\$288,400	—\$76,000	\$3,156,900
Education.....	3,047,377	77,014	3,124,391	2,950,000	\$1,165,000	4,115,000	297	-----	-----	-----	759,954	33,061	4,908,312
Health and Welfare.....	-----	-----	-----	-----	500,000	500,000	-----	-----	-----	-----	-----	-----	500,000
Resources.....	*4,000,000	—181,438	3,818,562	*3,893,574	-----	3,893,574	14,426	-----	-----	-----	-----	-----	3,908,000
Transportation.....	14,595,878	—939,062	13,656,816	16,989,851	-----	16,989,851	5,026,160	-----	-----	-----	—983,623	—2,636,915	13,395,473
Other Purposes.....	3,412,846	—1,353,867	2,058,979	2,154,994	-----	2,154,994	710,083	-----	\$1,776,453	-----	-----	—560,083	4,081,447
Property Tax Relief.....	-----	-----	-----	-----	—46,878,571	—46,878,571	-----	-----	-----	-----	-----	-----	—46,878,571
Shared Revenues.....	501,765,040	42,513,024	544,278,064	573,264,520	-----	573,264,520	—28,087,079	-----	-----	-----	23,989,482	—704,020	568,462,894
Totals, Local Assistance.....	\$530,772,903	\$39,693,203	\$570,366,106	\$601,797,439	—\$45,213,571	\$556,583,868	—\$21,036,113	-----	\$1,776,453	-----	\$24,064,213	—\$3,943,966	\$656,634,455
Totals, Capital Outlay.....	\$503,830,207	—\$148,936,757	\$354,893,450	\$391,389,632	\$495,520	\$391,885,152	\$140,592,226	e—\$714,107	\$1,079,300	-----	\$34,407,128	\$1,574,144	\$508,823,843
Totals.....	*\$1,340,095,279	—\$126,525,670	\$1,211,569,609	\$1,332,624,700	—\$36,908,315	\$1,295,710,385	\$120,634,211	—\$4,317,187	\$1,802,596	\$4,000	\$59,658,675	—\$20,631,907	\$1,455,866,773

\* Eliminated \$2,000,000 as non-governmental cost fund in 1967-68 F.Y., for the 1969-70 General Budget presentation.

b Eliminated \$3,800,000 as non-governmental cost fund in 1968-69 F.Y., for the 1969-70 General Budget presentation.

c This is a transfer from the California Water Fund to a non-governmental cost fund, the Central Valley Water Project Construction Fund.

# Schedule 10

## STATEMENT OF BONDED DEBT OF THE STATE OF CALIFORNIA AS OF NOVEMBER 30, 1968

This statement includes only General Obligation Bonds of the State of California and does not include Bonds Issued under authority of State Instrumentalities which are not General Obligations of the State of California.

Name of issue	Rate of interest	Date of maturity	Authorized	Unsold	Redemptions	Outstanding
<b>GENERAL OBLIGATION BONDS</b>						
<b>GENERAL FUND BONDS</b>						
California Tenth Olympiad of 1927-----	4½%	1932-1971	\$1,000,000	-----	\$925,000	\$75,000
State School Building Act of 1949-----	1-4½%	1952-1978	250,000,000	-----	147,100,000	\$102,900,000
State School Building Act of 1952-----	¾-5%	1955-1990	185,000,000	-----	74,800,000	\$110,200,000
State School Building Act of 1954-----	3¼-5%	1959-1984	100,000,000	-----	34,200,000	\$65,800,000
State School Building Act of 1956-----	1-5%	1960-1985	100,000,000	-----	28,600,000	\$71,400,000
State School Building Act of 1958-----	3-5%	1961-1987	220,000,000	-----	49,200,000	\$170,800,000
State School Building Act of 1960-----	¾-5%	1963-1990	300,000,000	-----	46,800,000	\$253,200,000
State School Building Act of 1962-----	¾-5%	1966-1991	200,000,000	-----	16,000,000	\$184,000,000
State School Building Act of 1964-----	3-5%	1967-1994	260,000,000	-----	6,400,000	\$253,600,000
State School Building Act of 1966-----	-----	-----	275,000,000	\$275,000,000	-----	-----
State Construction Program Bond Act of 1955-----	3¼-5%	1959-1985	200,000,000	-----	55,400,000	144,600,000
State Construction Program Bond Act of 1958-----	¾-5%	1962-1989	200,000,000	-----	37,600,000	162,400,000
State Construction Program Bond Act of 1962-----	¾-5%	1965-1991	270,000,000	-----	25,200,000	244,800,000
State Construction Program Bond Act of 1964-----	3¼-5%	1967-1994	380,000,000	60,000,000	13,200,000	306,800,000
Junior College Construction Bond Act of 1968-----	-----	-----	65,000,000	65,000,000	-----	-----
State Higher Education Construction Program Bond Act of 1966-----	3¼-5%	1968-1993	230,000,000	80,000,000	1,600,000	148,400,000
State Beach, Park, Recreational, and Historical Facilities Bond Act of 1964-----	3¼-5%	1967-1987	150,000,000	75,000,000	3,700,000	71,300,000
Totals, General Fund Bonds-----	-----	-----	\$3,386,000,000	\$555,000,000	\$540,725,000	\$2,290,275,000
<b>SELF-LIQUIDATING BONDS<sup>1</sup></b>						
California Water Resources Development Bond Act of 1959-----	¾-5%	-----	\$1,750,000,000	\$700,000,000	-----	\$1,050,000,000
<b>HARBOR BOND FUNDS</b>						
San Francisco Harbor Improvement of 1909 <sup>4</sup> -----	4%	1951-1985	\$9,000,000	-----	\$7,057,000	\$1,943,000
San Francisco Harbor Improvement of 1913 <sup>5</sup> -----	4%	1955-1989	10,000,000	550,000	6,641,000	2,809,000
San Francisco Harbor Improvement of 1929 <sup>6</sup> -----	1½-3¼%	1952-1983	10,000,000	-----	5,775,000	4,225,000
India Basin of 1909-----	4%	1941-1985	1,000,000	147,000	624,000	229,000
Harbor Development of 1958 <sup>7</sup> -----	1-6%	1964-1997	60,000,000	7,500,000	5,645,000	46,855,000
Totals, Harbor Bond Funds-----	-----	-----	\$90,000,000	\$8,197,000	\$25,742,000	\$56,061,000
<b>VETERANS FARM AND HOME BUILDING FUND BONDS</b>						
Veterans Act of 1946-----	2-2½%	1949-1971	\$100,000,000	-----	\$90,900,000	\$9,100,000
Veterans Act of 1949-----	1½-4%	1952-1972	100,000,000	-----	80,250,000	19,750,000
Veterans Act of 1951-----	1¾-2½%	1954-1975	150,000,000	-----	101,450,000	48,550,000
Veterans Act of 1954-----	¾-5%	1957-1977	175,000,000	-----	91,800,000	83,200,000
Veterans Act of 1956-----	1-5%	1958-1984	500,000,000	-----	177,300,000	322,700,000
Veterans Act of 1958-----	3¼-5%	1961-1986	300,000,000	-----	64,800,000	235,200,000
Veterans Act of 1960-----	¾-5%	1962-1989	400,000,000	-----	64,800,000	335,200,000
Veterans Act of 1962-----	3-5%	1966-1988	250,000,000	-----	13,500,000	236,500,000
Veterans Act of 1963-----	-----	-----	200,000,000	\$200,000,000	-----	-----
Totals, Veterans Farm and Home Building Fund Bonds-----	-----	-----	\$2,175,000,000	\$200,000,000	\$684,800,000	\$1,290,200,000
TOTALS, SELF-LIQUIDATING BONDS-----	-----	-----	\$4,015,000,000	\$908,197,000	\$710,542,000	\$2,396,261,000
TOTALS, ALL BONDS-----	-----	-----	\$7,401,000,000	\$1,463,197,000	\$1,251,267,000	\$4,686,536,000

<sup>1</sup> Balances in the Olympic Bond Fund will be available to pay the General Fund for the debt service due in the 1968-69 and 1969-70 fiscal year, but the Olympic Bond Fund will provide only part of the resources to finance the General Fund payments in the 1970-71 fiscal year when the final redemption payment with interest is paid January 2, 1971.

<sup>2</sup> The school districts of the State of California pay a part of the debt service for the State School Building Aid Bond Issues.

<sup>3</sup> The revenues derived from the California Water Resources Development Bond Fund, the San Francisco Harbor Improvement Fund, the Small Craft Harbor Improvement Fund, and the Farm and Home Building Fund of 1943 finance the debt service costs that are paid from the General Fund.

<sup>4</sup> Callable on or after July 1, 1951 by lot.

<sup>5</sup> Callable on or after July 2, 1955 by lot.

<sup>6</sup> Callable on or after January 1, 1941 by lot.

<sup>7</sup> Chapter 103, Statutes of 1958, First Extraordinary Session authorized \$50,000,000 for the development of the San Francisco Harbor, of which \$7,500,000 remain unsold; and also authorized \$10,000,000 for the development of small craft harbors and these bonds have been sold.



**CAPITAL OUTLAY BUDGET  
AND  
FIVE-YEAR CONSTRUCTION PROGRAM**





# Capital Outlay Budget and Five-year Construction Program

## GENERAL ANALYSIS

### SCHEDULES

1. Comparative Statement of Expenditures by Program Function, Organization Unit and Fund.
2. Comparative Statement of Expenditures of Federal Aid Granted to the State of California.
3. Summary of Proposed Expenditures by Method of Appropriation.
4. Comparative Statement of Expenditures Authorized by the Budget Act and Expenditures Required by the Constitution or Other Statutes.
5. Reconciliation of Changes from Previous Budget Estimates.

### DETAILED BUDGETS AND PROGRAMS





# 1969-70 Capital Budget and Five-Year Construction Program

The 1969-70 Capital Budget and the Five-Year Construction program covering the budget year, plus four additional years, is presented in this volume. The total recommended expenditures from governmental cost funds for the coming fiscal year are \$441.7 million. Of this amount, expenditures from the General Fund amount to \$90.7 million, and expenditures from special revenue funds make up for the balance of \$351.0 million. Table 1 below summarizes proposed expenditures by major program.

Table 1

## RECOMMENDED EXPENDITURES FOR CAPITAL OUTLAY BY MAJOR PROGRAMS

1969-70

(In Thousands)

Program	Governmental cost funds	Bond issues	Total
State Building Program -----	\$99,102	\$40,829	\$139,931
District and county fairs -----	1,538	-	1,538
Wildlife Conservation -----	3,972	1,181	5,153
Parks and Recreation -----	8,134	4,520	12,654
Highways -----	325,563	-	325,563
Water facilities -----	3,375	372,812	376,187
Totals, Capital Outlay -----	\$441,684	\$419,342	\$861,026

So that the capital budget can be viewed in a comprehensive manner, all proposed outlays have been included in the detailed budgets without regard to source of funds. In keeping with accepted principles of governmental accounting, however, expenditures from bond proceeds, other nongovernmental cost funds, loans from state funds, and expenditures from Federal funds and other nonstate sources are excluded from the budget totals.

Projections of all pertinent factors point to a need for continuing investments in capital improvements in this and foreseeable future budgets. Current trends in college enrollments, vehicle registrations, usage of recreational areas, water utilization, and other indices used in planning for physical facilities furnish clear evidence of the necessity for annual outlays of significant amounts based on past utilization standards.

The entire Five-Year Construction Program should be viewed as a tentative plan based on currently approved programs and levels of service, existing standards of space allowances and utilization, and present concepts of how program objectives are to be achieved. When any of these factors change, related adjustments in the capital outlay program must be made.

*The individual proposals in the five-year plan for the fiscal years 1970-71 through 1973-74 represent the current departmental request and not a program approved by the Administration. Additional studies will be made prior to the final recommendations.*

## STATE BUILDING PROGRAM

The State Building Program encompasses the projected capital outlay requirements for publicly supported higher education, mental hygiene, corrections, and for office space. It also includes the forecast of needs of smaller dollar magnitude for such agencies as the Department of Conservation, Military Department, and Department of General Services.

The significant characteristics of each principal component of the State Building Program are discussed below.

## HIGHER EDUCATION

Proposed expenditures during 1969-70 for capital outlay for the University of California and the California State Colleges are approximately \$82 million which will be funded from the Capital Outlay Fund for Public Higher Education. The Capital Outlay Fund for Public Higher Education is comprised of transfers from the General Fund in the amount of \$69 million and some tidelands revenues, which were previously deposited in the General Fund. The transfer from the General Fund to the Capital Outlay Fund for Public Higher Education is proposed so that the appropriations will be payable from one source thereby simplifying the appropriation and accounting procedures.

### University of California

#### Five-Year Program (In Thousands)

1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$79,004	\$186,957	\$261,789	\$197,636	\$180,389	\$905,775
37,365	106,060	132,630	111,830	113,818	501,703 <sup>a</sup>
41,639	80,897	129,159	85,806	66,571	404,072 <sup>b</sup>

<sup>a</sup> Capital Outlay Fund for Public Higher Education and unfunded.  
<sup>b</sup> Federal, University overhead, and other nonstate funds.

*The last four years of the five-year building program are the agency's current estimate of need and do not represent a program approved by the Administration. All projects reflected as funded from university overhead funds or nonstate funds are not reviewed by the Department of Finance or the Legislature.*

The 1969-70 Capital Outlay Program for the University of California totals \$79,003,770. Of this amount, \$37,365,000 is to be financed from the Capital Outlay Fund for Public Higher Education; \$13,838,000 is from federal funds as reimbursements to state-funded projects; \$1,498,000 is from other federal sources; \$9,973,800 is derived from university overhead funds; and \$16,328,970 is from other nonstate sources.

The total from the Capital Outlay Fund for Public Higher Education and federal grant programs for 1969-70 is \$37,365,000. Following is a breakdown of this total by type of project.



<i>Project</i>	<i>Amount</i>	<i>Percent of total</i>
Equipment -----	\$6,299,000	16.8
Utilities and site development ----	4,163,000	11.1
New construction -----	17,776,000	47.6
Alterations -----	4,888,000	13.1
Planning and working drawings ----	2,231,000	6
Minor capital outlay -----	2,008,000	5.4
	<b>\$37,365,000</b>	<b>100</b>

The \$17,776,000 for new construction is divided among the following disciplines or functions:

<i>Discipline or functions</i>	<i>Amount</i>	<i>Percent of total</i>
Natural Sciences -----	\$10,145,000	57
Humanities and Social Sciences ----	736,000	4.1
Library -----	3,585,000	20.2
Medical Sciences -----	1,562,000	8.8
Other -----	1,748,000	9.9
	<b>\$17,776,000</b>	<b>100</b>

Of the \$37,365,500 from the Capital Outlay Fund for Public Higher Education, the distribution by campus is as follows:

<i>Campus</i>	<i>Amount</i>	<i>Percent of total</i>
Berkeley -----	\$1,192,000	3.2
Davis -----	1,132,000	3
Irvine -----	5,238,000	14
Los Angeles -----	621,000	1.6
Riverside -----	6,316,000	17
San Diego -----	3,656,000	9.7
Santa Barbara -----	6,266,000	16.8
Santa Cruz -----	2,305,500	6.2
Medical Schools -----	8,373,000	22.4
Other -----	2,265,500	6.1
	<b>\$37,365,500</b>	<b>100</b>

The five-year Capital Outlay Program of the University of California is planned to accommodate a projected enrollment increase from 1969-70 to 1973-74 of 19,700 FTE students during the three-quarter academic year. An additional 6,566 FTE student enrollment increase for the same period will be handled through increased utilization in the summer quarter afforded by further implementation of year-round operations.

#### State Colleges

Five-Year Program (In Thousands)					
1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$86,742	\$166,078	\$134,252	\$88,044	\$96,320	\$571,843
44,664	123,508	86,683	53,224	61,649	370,136 a
42,078	42,570	47,569	34,820	34,671	201,707 b
(8,522) c					

<sup>a</sup> Capital Outlay Fund for Public Higher Education and unfunded.

<sup>b</sup> Federal and other nonstate funds.

<sup>c</sup> This amount represents anticipated federal reimbursements and has been netted out of budget total as well as the individual college totals.

The Board of Trustees of the California State Colleges is vested with the powers, duties and functions relative to the administration of the state colleges. One of the major functions of this board of trustees and its administrative staff is the planning for the 19 physical plants, including the new site for Kern County. It is anticipated that in the period 1969-70 through 1973-74 the statewide enrollments will rise from 143,084 to 184,179. The five-year Capital Outlay building program estimates the facilities needed to properly provide for this increase of 41,095 FTE.

*It should also be noted that the last four years of the five-year building program is the state colleges current estimate of need and do not represent a program approved by the Administration.*

In 1969-70 Capital Outlay Program for the state colleges provides for an expenditure of \$95,264,150; of this total \$44,664,300 is proposed from the Capital Outlay Fund for Public Higher Education, \$8,522,000 anticipated from the Higher Education Facilities Act, Title I; and \$42,077,850 from other nonstate sources.

The total from the Capital Outlay Fund for Public Higher Education and federal grant programs for 1969-70 is \$53,186,300. Following is a breakdown of this total by type of project:

<i>Project</i>	<i>Amount</i>	<i>Percent of total</i>
Science and engineering facilities -----	\$1,113,000	2.1
Music, speech, and drama facilities -----	1,971,000	3.7
Libraries -----	24,300,000	45.6
General instructional facilities ----	8,882,000	16.7
Site development and utilities ----	3,660,000	6.9
Other -----	5,579,000	10.5
Equipment -----	4,938,300	9.2
Master planning -----	243,000	0.5
Land acquisition -----	500,000	0.9
Minor capital outlay -----	2,000,000	3.9
	<b>\$53,186,300</b>	<b>100</b>

#### Maritime Academy

Five-Year Program (In Thousands)					
1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$269	\$254	\$485	\$235	-	\$1,243 a

<sup>a</sup> General Fund and unfunded.

The Maritime Academy is located in Vallejo near the north end of the Carquinez Bridges and will have an average enrollment of 250 students in 1969-70. The campus occupies 67 acres, and permanent facilities consist of two classroom buildings, engineering building, administration building, seamanship building, messhall, residence hall, and a gymnasium with pool.

The 1969-70 budget proposes an expenditure from the General Fund of \$268,500.

#### Community Colleges (Junior Colleges)

Five-Year Program (In Thousands)					
1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$53,576	\$52,780	\$54,000	\$54,000	\$54,000	\$268,356
29,159	24,390	25,000	25,000	25,000	128,549 a
(6,700)	4,000	4,000	4,000	4,000	16,000 b
24,417	24,390	25,000	25,000	25,000	123,807 c

<sup>a</sup> State Construction Program Fund and unfunded.

<sup>b</sup> Federal funds.

<sup>c</sup> District funds.

The Legislature in 1965 recognizing that pressures generated by rising enrollments, increasing costs and the great differences in the ability of local junior college districts to provide a well balanced educational program, enacted SB 318, which provided the vehicle for a shared state and local district junior college capital outlay program on a continuing basis.

State Construction Program Bond funds in the amount of \$50 million for the junior colleges were approved in the 1964 general election. Of this amount, \$25,122,000 was appropriated in the 1965-66 budget subject to the enactment of SB 318. Because of the timing involved, this amount was appropriated to the Department of Education in a lump sum for allocation without legislative review.



In 1966 the junior college capital outlay projects were itemized in the budget for the first time. That budget provided for an appropriation of \$7,955,973 to the Department of Education to be allocated to the junior college districts in accordance with the schedule noted in the detail of that budget.

A total \$19,617,300, the balance remaining from the 50 million in State Construction Bond Act funds, was appropriated for the 1967-68 fiscal year.

Looking forward to the continuing need for state support of a community college capital outlay program, the Legislature enacted and the electorate approved the Junior College Construction Bond Act of 1968 which provided \$65,000,000 solely for community college capital outlay projects.

The 1968-69 Budget Act appropriated \$15,609,533 to be paid out of the State Construction Program Fund.

The 1969-70 Budget proposes an appropriation of \$29,158,625 from the State Construction Program Fund to the Board of Governors of the California Community Colleges to be allocated to the junior college districts in accordance with the schedule noted in the detail of this budget.

#### Department of Education

Five-Year Program (In Thousands)					
1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$151	\$2,332	\$460	\$280	\$12,100	\$15,323

The Department of Education administers five special schools for handicapped children: one for education of the blind, two for the education of the deaf, and two for diagnosis and education for neurologically handicapped children. The 1969-70 budget for the special schools totals \$150,615 with funding proposed from the General Fund. Projects proposed include: six minor projects totaling \$27,000 for the School for the Deaf, Berkeley one major project in the amount of \$85,000 to be used for planning and working drawings for the construction of a permanent facility for multi-handicapped deaf children. In addition, this budget proposes three minor projects totaling \$38,615 for the School for the Deaf, Riverside.

*It should be noted that the last four years of the five-year building program is the Department of Education's current estimate of need and the estimates do not represent a program approved by the Administration.*

#### HEALTH AND WELFARE

##### Mental Hygiene

Five-Year Program (In Thousands)					
1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$2,560	\$16,787	\$9,685	\$31,723	\$13,259	\$74,014
2,560 a	16,787 a	9,685 a	31,723 a	13,259 a	74,014 a

a General Fund.

The Department of Mental Hygiene's capital outlay program in the budget year totals \$2,559,634. Of this amount, \$630,070 is included to remodel and equip wards for mentally retarded patients at Napa State Hospital. An additional \$130,180 is requested to replace the heating system in the children's unit complex at Napa State Hospital. Improvements to the electrical distribution system at Mendocino State Hospital are scheduled at an estimated cost of \$244,600.

At Porterville State Hospital, \$108,760 is requested to install primary electric cable. Fifty thousand dollars is requested for master planning studies which will serve as the basis of future programs for structural remodeling throughout the state hospital system. Statewide minor projects total \$1,396,024.

Total bed capacities of hospitals for the mentally ill will continue to exceed patient population even after the removal of the 1,539 beds for the mentally ill at Modesto State Hospital, scheduled to occur by June 30, 1970.

Projected five-year proposals for this department total \$74 million. This projection includes projects which will provide an upgrading of existing facilities, and consideration of additional facilities of a specialized nature in coping with the problems of mental retardation and mental illness. Significant among these projects is the replacement of Langley Porter Neuropsychiatric Institute, and the development of comprehensive research and training hospital units to be attached to the University Medical Schools at Davis and San Diego.

*The individual proposals in the five-year plan for the fiscal years 1970-71 through 1973-74 represent the Department of Mental Hygiene's current requests. The last four years of the five-year building program are the agency's current estimate of need and do not represent a program approved by the Administration.*

#### CORRECTIONS

##### Department of Corrections

Five-Year Program (In Thousands)					
1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$268	\$4,239	\$1,407	\$7,155	\$7,380	\$20,449

The capital outlay budget for 1969-70 for the Department of Corrections proposes minor capital expenditures of \$267,639.

The projected five-year construction program for the period 1969-74 is \$20,449,139. The estimated population increase for this period is 4,330 or an average of 866 inmates per year. By June 30, 1974, according to the existing schedule, additional bed capacity of 1,515 will be added. This expanded capacity will be accomplished by both construction of new facilities and expansion and improvement of existing facilities.

A policy decision as to whether to proceed with the Medical Correctional Institution at San Diego has not been made, and will await further examination of need and fiscal situation.

##### Youth Authority

Five-Year Program (In Thousands)					
1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$10,427	\$3,879	\$1,867	\$340	\$340	\$16,853

The proposed 1969-70 capital expenditures for the Department of the Youth Authority totals \$10,426,860. Of this amount, \$8,670,000, previously appropriated from the State Construction Program Fund, is being provided for the construction of The Medical Psychiatric Institution which will be part of the Southern California Youth Center. In addition, Phase I of two proposed phases of equipment purchases for the Central Facilities of the Southern California



Youth Center and the Older Boys Reception Center will be initiated. These facilities are now under construction. The second and last phase of a project is proposed to expand the sewage treatment and disposal facilities of the City of Chino in order to accommodate the Central Facilities of the Southern California Youth Center, the Older Boys Reception Center and the Medical Psychiatric Institution.

A project is proposed for Los Guiluecos School for Girls to equip the recently modified special treatment unit. Replacement of the electrical distribution system at Paso Robles School for Boys is also proposed.

Projects for the Preston School of Industry include: working drawings for the rehabilitation of the electrical distribution and emergency electrical power systems and for repair and replacement of the water distribution system; the second of three phases of a project to improve the steam distribution system; and a project to replace the sound security and telephone distribution system.

Minor projects included in the total capital expenditures will provide necessary alterations and improvements to the physical plants of several institutions.

The total projected five-year construction program is \$16,853,800. Due to the decline in the commitment rate of juvenile offenders to the Youth Authority no new capacity adding projects are included in the five-year program beyond the budget year. While new facilities may eventually be needed as California's population continues to increase, the rate at which they will be needed should be much lower than in the past. This is in large part due to the Probation Subsidy program and other programs of local assistance which encourage counties to retain juvenile offenders in county-operated facilities.

## OFFICE BUILDING AND RELATED FACILITIES

### General Administration

Five-Year Program (In Thousands)					
1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$2,419	\$7,932	\$3,350	\$5,750	\$450	\$19,901

The Capital Outlay program for the Department of General Services provides funds for the completion of projects currently under construction, and a limited amount for required alterations, space recovery and minor projects.

The five-year program is currently estimated at \$19.9 million but may be adjusted as further space needs are identified.

### Vehicle Regulation

Five-Year Program (In Thousands)					
1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$6,827	\$5,826	\$4,518	\$4,245	\$1,637	\$23,053

In 1969-70, the Department of the California Highway Patrol will require \$1.8 million and the Department of Motor Vehicles is budgeted at \$5 million. The Highway Patrol amount includes \$1,110,000 for the first phase of the construction of a new patrol academy. Also included for the Highway Patrol are funds for the purchase of land now owned by the Division of Highways and leased to the patrol for a field office in Oakland, and funds for radio communications facilities and program planning.

The Department of Motor Vehicles 1969-70 fiscal year budget includes funds for construction and/or site acquisition for new offices in Whittier, Anaheim, Salinas, Santa Rosa, Bellflower, Los Gatos, Midway City, San Leandro, Culver City, Redding and northeast Sacramento and for the working drawings to construct additional office space in Santa Barbara.

The Highway Patrol's five-year program totals \$10,405,095, primarily for completion of the new academy and for field offices. Because the economics of construction versus rental depend on the permanence of highway routing, population density, vehicle registrations, transient traffic, and similar factors, specific field office sites cannot be designated at this time. As present leases expire, or the need for a new office is established, analyses to ascertain the most economical approach will be made, and specific recommendations included in future budgets.

The five-year program of the Department of Motor Vehicles is composed principally of office buildings and additional or expanded parking areas. Total expenditures for the five years ending June 30, 1974, are \$12,647,925.

### Department of Agriculture

Five-Year Program (In Thousands)					
1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$29	\$977	-	-	-	\$1,006

The 1969-70 Capital Outlay budget for Agriculture consists of one minor project only, for installation of an air conditioning system in the diagnostic laboratory on Meadowview Road.

The total agency proposed five-year construction program is \$1,006,295 which includes a fluid fuel test facility at Meadowview Road in Sacramento County and a livestock and poultry diagnostic laboratory in southern California. No further major construction projects are presently anticipated.

### State Exposition and Fair Executive Committee

Five-Year Program (In Thousands)					
1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$58.5	-	-	-	-	\$58.5

The California Exposition and Fair is now located on a 600-acre tract in Sacramento near the American River. This unique complex exhibiting California's heritage, agriculture and industry, opened in June 1968. This budget provides for three minor projects which will improve the existing physical plant.

### Forestry

Five-Year Program (In Thousands)					
1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$6,250

The Division of Forestry operates 235 forest fire stations, 77 lookouts and 13 air attack bases. It maintains 33 conservation camps, 32 ranger unit headquarters, six district headquarters and three nurseries. The 1969-70 budget proposes an expenditure of \$492,185 for three major construction projects, and land acquisition for one lookout and four fire stations. The budget includes \$757,815 for minor projects required by the Division of Forestry's field activities.



## Military Department

### Five-Year Program (In Thousands)

1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$398	\$2,315	\$1,515	\$6,619	\$1,325	\$12,172
359	1,149	835	3,782	771	6,896 <sup>a</sup>
39	1,166	680	2,837	554	5,276 <sup>b</sup>

<sup>a</sup> General Fund.  
<sup>b</sup> Federal funds.

The Capital Outlay program of the Military Department for 1969-70 provides for the preparation of plans and supervision of construction for federally financed projects. It also includes minor projects for repairs to various existing armories, paving of yards and related work. The total of \$397,600 includes federal funding to the extent of \$38,750.

## Air Resources Board

The 1969-70 budget includes \$250,000 for land acquisition and working drawings for a new air resources laboratory to be used for motor vehicle pollution control testing and development work. An additional \$1,400,000 is projected for expenditure in 1970-71 for construction and equipment.

## Parks and Recreation

### Five-Year Program (In Thousands)

1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$13,504	\$26,502	\$9,295	\$12,740	\$7,650	\$69,691

To meet the demand for recreational outlets requires a continuing expenditure of funds for acquisition and development projects. The Department of Parks and Recreation identified \$100 million in such projects during fiscal year 1966-67. The State Beach, Park, Recreational and Historical Facilities Bond Act of 1964 has enabled the department to accomplish most of these projects. Fiscal year 1970-71 is the last year such funds will be available.

The \$13.5 million requested in the 1969-70 fiscal year will be used primarily for recreational development. This includes providing additional campsites, picnic units, roads, trails and parking spaces in existing units of the State Park System.

If the department's development program over the next five years continues as currently planned, total recreational needs could cost \$69.2 million. This estimate includes funds for recreational development at units of the State Water Project, historical development and preservation, and continued facilities' development in units of the State Park System.

## Wildlife Conservation

### Five-Year Program (In Thousands)

1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$5,152	\$1,633	\$1,450	\$1,505	\$1,625	\$11,365

The proposed 1969-70 capital outlay expenditure for the Wildlife Conservation Program is \$5,152,974. This program for the protection, propagation, and management of the state's fish and wildlife resources is administered by the Department of Fish and Game and the Wildlife Conservation Board. Proposed expenditures of \$3,191,600 in the budget year for the Department of Fish and Game include \$2,600,000 for the Glenn-Colusa fish screen, a patrol boat replace-

ment, expansion of regional office, and replacement of hatchery ponds. The Wildlife Conservation Board proposes to spend \$780,000 in 1969-70 for continuation of the program providing new hunting and fishing access, game and fish habitat development, and fish hatchery stocking projects. In addition, the Imperial Valley Warmwater Hatchery will be constructed to provide catchable size half-pound channel catfish for stocking in Southern California reservoirs and lakes. Of the Wildlife Conservation Board proposal \$399,315 will be financed by federal funds.

The five-year program proposes expenditures of \$11,365,974 to continue replacements of patrol boats, office facilities, and additional fish hatchery facilities related to the fish and wildlife enhancement program of the Department of Fish and Game, and the Wildlife Conservation Board.

## MISCELLANEOUS

### District Fair Construction

Included in this budget is a total of \$1,538,400 for construction of facilities for district agricultural associations. The detail of these projects will be found in the budget supplement containing the budgets of the individual fairs.

### Highways

Streets and Highway Code Section 143.1 and 143.2 govern the preparation and presentation of the budget of the Division of Highways. Under the provisions of these statutes, the budget as approved by the Highway Commission must be included in the Governor's Budget without change.

For the 1969-70 fiscal year, the Highway Commission has approved a capital budget calling for expenditures of \$332.3 million from state funds plus \$426 million from federal funds. Additional multilane freeways, widening and realignment, reconstruction to present day standards, and traffic distribution structures are typical of the projects included. In terms of total dollars expended, the major effort will continue to be devoted to completion of the state's 2,165-mile system of interstate and defense highways.

## California Water Facilities

### Five-Year Program (In Thousands)

1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$372,812	\$268,622	\$196,384	\$152,685	\$137,118	\$1,127,621

As the State Water Project enters its eighth year of construction, work under contract or completed represents approximately 84 percent of the total project. The Oroville Dam embankment, the keystone of the entire project, was completed in November of 1967 and is currently storing water towards its ultimate 3,500,000 acre-feet capacity. A contract has been executed with three private utilities for the sale of power to be generated at the Oroville and Thermalito power plants. \$16,150,000 will be paid annually by the utility companies to the state. Revenue bonds were sold in 1968 supported by the power revenues.

The State Water Project expenditures peaked in 1968-69 and will reflect a gradual lowering in the level of expenditures as facilities are completed and the project reaches operational capability.

Major construction emphasis during 1969-70 will continue to be located in and near the Tehachapi Mountains and Southern California. Land acquisition activity will also be concentrated in the southern half of the state.

#### *Flood Control-Reclamation Board*

##### **Five-Year Program (In Thousands)**

1969-70	1970-71	1971-72	1972-73	1973-74	Total
\$3,375	\$4,000	\$4,000	\$4,000	\$4,000	\$19,375

The Reclamation Board was created in 1911 with regional responsibility of controlling floodwaters of the Sacramento-San Joaquin River systems. In 1957 the Legislature placed the Board in the Department of Water Resources but authorized it to retain its independent responsibilities and jurisdiction. The Board is now part of the Resources Agency. It consists of seven members appointed by the Governor.

The major activities of the board are the acquisition of lands, easements and rights-of-way necessary for construction of U.S. Corps of Engineers major flood control projects, design and construction of necessary relocations of roads, bridges and utilities required by construction, and provide other necessary assurances required for the project. In any project which the Board gives assurances to the United States before funds are expended, a public agency, other than the Board, must assume the project maintenance obligation and provide hold harmless assurances to the United States regarding damages resulting from construction; or by binding agreement with the Board agree to assume such obligations and hold the State and the Reclamation Board harmless from such claims.

In addition the Board controls encroachment construction in the project floodways and exercises responsibility for flood plain management within its jurisdiction.

During 1969-70 the level of expenditures for ongoing projects is essentially the same as 1968-69. The detailed project costs include all staff support.

#### **Methods of Financing**

The sources from which the capital outlay budget is funded are described below:

1. Current revenues and any accumulated balances in governmental cost funds. These are moneys collected in the form of taxes, license and permit

fees, interest on investments, and similar items of income.

2. The proceeds from the sale of general obligation bonds which bonds are secured by the "full faith and credit" of the state. Outstanding bonds of this kind are (a) State Construction Program bonds, and (b) State Beach, Park, Recreational, and Historical Facilities bonds. The repayment of principal and interest on such indebtedness constitutes a preferred claim on the financial resources of the state. Within this classification falls a special category referred to as "self-liquidating" bonds. Bonds in this category are the California Water Resources development bonds. In the case of this special grouping, such bonds although legally possessed by the characteristics of general obligation bonds are serviced from the revenues produced by the ventures or projects financed in this manner.
3. Revenue bonds are those that are secured solely by the income derived from the use or operation of the facilities funded by this method.
4. Trust certificates represent a form of capital financing which makes use of the large balances accumulated in trust accounts or funds of the state. Because such funds are dedicated to meet future obligations, sound fiscal management dictates the investment of the currently unneeded cash in these accounts and funds. One way of investing these moneys is by the purchase of trust certificates issued by the state for the construction of general purpose office buildings.
5. Nonstate funds such as endowments, grants, and certain other funds as payments of overhead charges on research projects conducted by the University represent yet another source of capital financing.

To provide a complete and comprehensive picture of the state's capital outlay program all proposed projects are included in the capital budget regardless of the source of financing.

Following the generally accepted principles of governmental accounting, however, only expenditures from governmental cost funds are included in the budget totals. Expenditures from bond proceeds and other forms of borrowing are excluded—such expenditures are reported as expenditures of the fiscal years in which the payments on principal and interest are made.



**Schedule 1 — Capital Outlay**  
**COMPARATIVE STATEMENT OF EXPENDITURES BY PROGRAM, FUNCTION, ORGANIZATION UNIT AND FUND**  
**FOR FISCAL YEARS 1967-68, 1968-69, AND 1969-70**

Page Ref- er- ence	Organization Unit	Actual 1967-68				Estimated 1968-69				Estimated 1969-70			
		General Fund	Special Funds	Total	Bond Funds <sup>1</sup>	General Fund	Special Funds	Total	Bond Funds <sup>1</sup>	General Fund	Special Funds	Total	Bond Funds <sup>1</sup>
	<b>STATE BUILDING PROGRAM</b>												
	<b>Executive:</b>												
1	California Disaster Office.....	\$326		\$326		\$14,085		\$14,085					
	<b>General Administration:</b>												
2	Department of General Services.....	\$1,242,817		\$1,242,817	\$436,930	\$2,989,488		\$2,989,488		\$2,419,314		\$2,419,314	
3	State Exposition and Fair Executive Committee.....	2,797,564	\$5,000,000	8,397,564		1,511,114		1,511,114		\$58,500		58,500	
3	State Exposition and Fair Executive Committee.....		<sup>b</sup> (12,915,884)	(12,915,884)		<sup>b</sup> (\$397,818)		(397,818)					
	<b>Totals, General Administration.....</b>	<b>\$1,040,381</b>	<b>\$5,600,000</b> (12,915,884)	<b>\$9,640,381</b> (12,915,884)	<b>\$436,930</b>	<b>\$4,500,602</b> (397,818)		<b>\$4,500,602</b> (397,818)		<b>\$2,419,314</b>	<b>\$58,500</b>	<b>\$2,477,814</b>	
	<b>Agriculture:</b>												
8	Department of Agriculture.....				\$2	\$149,356		\$149,356		\$28,750		\$28,750	
9	Department of Agriculture.....				\$2	\$149,356	<sup>c</sup> (\$122,744)	(122,744)		\$28,750		\$28,750	
	<b>Totals, Agriculture.....</b>												
	<b>Commerce:</b>												
10	Museum of Science and Industry.....	\$122,712	\$852,141	\$174,853		\$111,531	\$35,308	\$146,839					
	<b>Corrections:</b>												
	Department of Corrections:												
	Departmental Administration:												
11	California Conservation Center.....	\$9,545		\$9,545	-\$33,408	\$1,250		\$1,250		\$12,100		\$12,100	
11	Sierra Conservation Center.....	14,367		14,367	2,317								
11	Southern Conservation Center.....	16,713		16,713		160		160					
11	Correctional Institution at Tehachap.....	15,709		15,709	253,623	61,110		61,110	\$212,839	27,000		27,000	
11	Correctional Training Facility.....	9,504		9,564	627,212	46,238		46,238	82,822	14,220		14,220	
11	Deuel Vocational Institution.....	20,310		20,310	1,278	273,155		273,155		35,842		35,842	
11	State Prison at Folsom.....	153,622		153,622		11,655		11,655		71,735		71,735	
11	Institution for Men.....	46,688		46,688	378,759	24,693		24,693	10,741	29,630		29,630	
11	Medical Correctional Institution.....				30,380	150,000		150,000	22,299				
11	Medical Facility.....	20,693		20,693		8,670		8,670		17,395		17,395	
11	Men's Colony.....	21,015		21,015		100,401		100,401		11,435		11,435	
11	State Prison at San Quentin.....	123,209		123,209	23,125	224,084		224,084	1,539	12,076		12,076	
11	Institution for Women.....	50,594		50,594		10,993		10,993		1,200		1,200	
11	Rehabilitation Center.....	1,373		1,373		29,626		29,626		35,000		35,000	
	<b>Totals, Department of Corrections.....</b>	<b>\$503,402</b>		<b>\$503,402</b>	<b>\$1,283,286</b>	<b>\$942,085</b>		<b>\$942,085</b>	<b>\$330,240</b>	<b>\$267,639</b>		<b>\$267,639</b>	

<sup>1</sup> From the State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

<sup>a</sup> From the State Fair Fund.

<sup>b</sup> From the Public Building Construction Fund—not included in overall budget totals.

<sup>c</sup> From the Department of Agriculture Building Fund—not included in overall budget totals.

<sup>d</sup> From the California Museum of Science and Industry Fund.

# Schedule 1—Capital Outlay. COMPARATIVE STATEMENT OF EXPENDITURES—Continued

Page Ref- er- ence	Organization Unit	Actual 1967-68				Estimated 1968-69				Estimated 1969-70			
		General Fund	Special Funds	Total	Bond Funds†	General Fund	Special Funds	Total	Bond Funds†	General Fund	Special Funds	Total	Bond Funds†
	<b>STATE BUILDING PROGRAM—Continued</b>												
	<b>Corrections—Continued</b>												
	Department of the Youth Authority:												
28	Departmental Administration.....	\$473,625		\$473,625	—\$181	\$159,880		\$159,880		\$370,220		\$370,220	
28	Youth Authority Conservation Camps for Boys.....	1,755		1,755		132,000		132,000					
28	Priest Ranch School for Boys.....	7,249		7,249	534,537	856		856	\$16,000				
28	Fred C. Nelles School for Boys.....	91,600		91,600	740	248,190		248,190	100,000				
28	Northern California Youth Center.....				332,650				304,209				
28	Southern California Youth Center.....				9,442,405	185,000		185,000	154,495	745,700		745,700	\$8,670,100
28	Pase Robles School for Boys.....					250,000		250,000		233,870		233,870	
28	Preston School of Industry.....	9,830		9,830		180,000		180,000		391,970		391,970	
28	Los Guilicos School for Girls.....	9,000		9,000	9,000				98,620	15,000		15,000	
29	Ventura School for Girls.....				73,912				50,948				
	<b>Totals, Department of the Youth Authority</b>	\$593,659		\$593,659	\$10,398,063	\$1,155,926		\$1,155,926	\$724,332	\$1,756,760		\$1,756,760	\$8,670,100
	<b>Totals, Corrections.....</b>	\$1,097,061		\$1,097,061	\$11,631,349	\$2,098,011		\$2,098,011	\$1,054,572	\$2,024,399		\$2,024,399	\$8,670,100
	<b>Education:</b>												
	Department of Education:												
	Special Schools for the Physically Handicapped												
	Children:												
43	School for the Blind.....	—\$3,437		—\$3,437									
43	Diagnostic School for Neurologically Handi- capped Children, Northern California.....	18,729		18,729		\$1,171		\$1,171					
43	School for the Deaf, Berkeley.....	51,906		51,906		17,400		17,400		\$27,000		\$27,000	
43	School for the Deaf, Riverside.....	10,370		10,370		20,100		20,100		123,615		123,615	
	<b>Totals, Education.....</b>	\$80,568		\$80,568		\$33,071		\$33,071		\$150,615		\$150,615	
	<b>Higher Education:</b>												
	Augmentation for Higher Education Capital Outlay.....												
47	University of California.....		\$2,300,588	\$2,300,588		\$53,000,000	e—\$53,000,000			\$39,000,000	e—\$39,000,000	\$37,365,000	
50	University of California.....		(25,862,291)	(25,862,291)	\$55,662,801		e44,615,000	\$44,615,000			(26,302,770)		
50	State Colleges:						(44,671,975)	(44,671,975)					
04	Trustees of the California State Colleges.....				3,248,468				\$10,937,007				
94	State College, Bakersfield.....				85,050				666,000			243,000	
94	Chico State College.....	\$38,412	e48,367	96,779	1,814,376				294,450			197,500	
94	State College, Dominguez Hills.....		e10,278	10,278	2,667,309	18,273		18,273	5,414,273			1,377,000	
94	Fresno State College.....	45,462	e107,368	152,830	941,686				4,501,975			1,888,000	
94	State College, Fullerton.....	13,018	e119,581	132,599	7,708,958	2,035		2,035	1,838,738			288,200	
94	State College, Hayward.....	—154	e102,056	101,902	502,451				—2,426,676			488,000	
95	Humboldt State College.....	61,809	e84,335	146,144	620,506	1,505		1,505	1,560,491			132,000	
						11,832		11,832	2,549,107			103,000	

† From the State Construction Program unless otherwise indicated—not included in overall budget totals.  
 e From the Capital Outlay Fund for Public Higher Education.  
 f From University Plant Funds and nonstate funds—not included in overall budget totals.



**Schedule 1—Capital Outlay. COMPARATIVE STATEMENT OF EXPENDITURES—Continued**

Page Ref- er- ence	Organization Unit	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
	<b>STATE BUILDING PROGRAM—Continued</b>									
	<b>Higher Education—Continued</b>									
	State Colleges—Continued									
95	State College, Long Beach.....	44,689	•103,686	148,375	8,523	•9,623,178	3,631,701		•3,704,900	3,704,900
95	State College, Los Angeles.....	8,738	•28,843	35,581		•446,000	446,000		•1,727,100	1,727,100
95	Sacramento State College.....	7,290	•55,204	62,494	578	•4,277,100	4,277,678		•7,755,500	7,755,500
95	State College, San Bernardino.....	18,003	•90,815	108,818	8,935	•1,299,100	1,278,035		•1,187,900	1,187,900
95	San Diego State College.....	40,811	•79,708	120,517	3,182	•794,500	797,682		•192,700	192,700
96	San Fernando Valley State College.....	6,885	•142,615	149,500	560	•67,400	67,960		•6,195,600	6,195,600
96	San Francisco State College.....	3,999	•18,094	22,093	27,148	•174,208	201,356		•6,109,800	6,109,800
96	San Jose State College.....	—24	•242,974	242,950	431	•532,200	532,631		•11,481,000	11,481,000
96	Sonoma State College.....	8,800	•61,085	69,875	361	•478,100	478,461		•63,400	63,400
96	Stanislaus State College.....	10,957	•10,277	21,234	477	•195,800	196,277		•12,800	12,800
96	State Polytechnic College—Kellogg-Voorhis Campus.....	10,476	•75,869	86,345	8,073	•3,376,703	3,384,776		•1,579,700	1,579,700
97	State Polytechnic College—San Luis Obispo Campus.....	—5,548	•74,145	68,597	4,735	•257,400	262,135		•136,600	136,600
	<b>Totals, State Colleges.....</b>	<b>\$323,773</b>	<b>\$1,453,888</b>	<b>\$1,777,661</b>	<b>\$98,948</b>	<b>\$46,172,737</b>	<b>\$46,280,685</b>		<b>\$44,664,300</b>	<b>\$44,664,300</b>
		2,063	•(\$28,976,377)	(\$28,976,377)	103,820	•(\$36,801,909)	(\$36,801,909)	268,500	•(\$42,077,850)	(\$42,077,850)
162	Maritime Academy.....			2,093			103,820			268,500
164	Community Colleges.....									
	<b>Totals, Higher Education.....</b>	<b>\$325,866</b>	<b>\$3,754,476</b>	<b>\$4,080,342</b>	<b>\$53,200,768</b>	<b>\$37,787,737</b>	<b>\$90,988,505</b>	<b>\$89,268,500</b>	<b>\$13,029,300</b>	<b>\$92,297,800</b>
			(\$54,841,668)	(\$54,841,668)		(\$81,473,884)	(\$81,473,884)		(\$68,380,620)	(\$68,380,620)
173	<b>Fiscal Affairs:</b>	<b>\$1,707,008</b>		<b>\$1,707,008</b>	<b>\$2,743,125</b>		<b>\$2,743,125</b>			
	Department of Finance.....									
	<b>Health and Welfare:</b>									
	Department of Human Resources Development:									
174	Department of Employment.....		b—\$200,118	—\$200,118		b—\$170,701	—\$170,701		b—\$210,870	—\$210,870
174	Department of Employment (Reed Act).....		i(—\$369,013)	(—\$369,013)		i(—\$377,555)	(—\$377,555)		i(—\$379,355)	(—\$379,355)
176	Department of Mental Hygiene.....	\$2,352,412		2,352,412	\$4,265,611		4,265,611	\$2,559,634		2,559,634
	Department of Rehabilitation:									
184	Orientation Center for the Blind.....	—4,505		—4,505	1,688		1,688			
	<b>Totals, Health and Welfare.....</b>	<b>\$2,347,917</b>	<b>\$—200,118</b>	<b>\$2,138,699</b>	<b>\$4,267,299</b>	<b>—\$170,701</b>	<b>\$4,096,598</b>	<b>\$2,559,634</b>	<b>—\$210,870</b>	<b>\$2,348,764</b>
			(—\$369,013)	(—\$369,013)		(—\$377,555)			(—\$379,355)	(—\$379,355)
196	<b>Military Affairs:</b>	<b>\$221,202</b>		<b>\$221,202</b>	<b>\$291,016</b>		<b>\$291,016</b>	<b>\$358,850</b>		<b>\$358,850</b>
	Military Department.....									
	<b>Regulation and Licensing:</b>									
	Department of Professional and Vocational Stand- ards.....		i(\$3,000)	(\$3,000)		i(\$6,260)	(\$6,260)		i(\$60,350)	(\$60,350)

<sup>1</sup> From the State Construction Program unless otherwise indicated—not included in overall budget totals.

<sup>2</sup> From the Capital Outlay Fund for Public Higher Education.

<sup>3</sup> From nonstate funds—not included in overall budget totals.

<sup>4</sup> From the Department of Employment Contingent Fund.

<sup>5</sup> From the Unemployment Trust Funds—not included in overall budget totals.

<sup>6</sup> From the Professional and Vocational Standards Fund—not included in overall budget totals.

**Schedule 1—Capital Outlay. COMPARATIVE STATEMENT OF EXPENDITURES—Continued**

Page Ref- er- ence	Organization Unit	Actual 1967-68				Estimated 1968-69				Estimated 1969-70			
		General Fund	Special Funds	Total	Bond Funds <sup>1</sup>	General Fund	Special Funds	Total	Bond Funds <sup>1</sup>	General Fund	Special Funds	Total	Bond Funds <sup>1</sup>
STATE BUILDING PROGRAM—Continued Resources:	Department of Conservation.....	\$129,111		\$129,111	\$1,841,426	\$1,559,299		\$1,559,299	\$291,779	\$1,250,000		\$1,250,000	
	Division of State Lands.....	1,000		1,000		51,400		51,400					
	Department of Water Resources.....	11,860		11,860		61,527		61,527		84,650		84,650	
	Air Resources Board.....										\$250,000	250,000	
	Totals, Resources.....	\$141,971		\$141,971	\$1,841,426	\$1,672,226		\$1,672,226	\$291,779	\$1,334,650	\$250,000	\$1,584,650	
Transportation:	Department of the California Highway Patrol.....		\$658,122	\$658,122									
	Department of Motor Vehicles.....		\$1,617,644	1,617,644			\$1,861,120	\$1,861,120			\$1,846,095	\$1,846,095	
	Totals, Transportation.....		\$2,275,766	\$2,275,766			\$1,861,120	\$1,861,120			\$1,846,095	\$1,846,095	
Veterans Affairs:	Veterans' Home of California.....	\$81,076		\$81,076	\$254,824	\$43,832		\$43,832	\$208,856	\$53,150		\$53,150	
	Unallocated:												
	Project Planning.....	\$300,000		\$300,000		\$300,000		\$300,000		\$300,000		\$300,000	
	Increased Cost of Construction.....					600,000		600,000	4,000,000	600,000		600,000	\$3,000,000
	Miscellaneous Repairs, Improvements and Equip- ment.....					25,000		25,000		50,000		50,000	
	Totals, Unallocated.....	\$300,000		\$300,000		\$925,000		\$925,000	\$1,050,000	\$950,000		\$950,000	\$3,000,000
TOTALS, STATE BUILDING PROGRAM		\$10,465,988	\$11,473,265	\$21,939,253	\$161,573,355	\$70,056,122	\$48,835,950	\$118,892,072	\$100,701,957	\$79,147,862	\$19,954,175	\$99,102,037	\$40,828,725
			<sup>2</sup> (\$67,391,539)	<sup>2</sup> (\$67,391,539)			<sup>2</sup> (\$81,023,141)	<sup>2</sup> (\$81,023,141)			<sup>2</sup> (\$68,061,615)	<sup>2</sup> (\$68,061,615)	
	State Construction Program Fund <sup>2</sup>				161,573,355				100,651,957				40,828,725
	State Beach, Park, Recreational and Historical Facili- ties Fund <sup>2</sup>								50,000				
DISTRICT FAIR CONSTRUCTION PROGRAM	Agriculture:												
	District Agricultural Associations.....	\$16,079	\$1,470,309	\$1,486,388		\$41,459	\$3,392,162	\$3,433,621			\$1,538,400	\$1,538,400	
	STATE HIGHWAY PROGRAM												
	Transportation Agency:												
	Department of Public Works:												
Division of Highways.....													
	Division of Highways—Other Funds.....		<sup>m</sup> \$322,336,131	\$322,336,131			<sup>m</sup> \$513,089,763	\$513,089,763			<sup>m</sup> \$225,533,000	\$225,533,000	
227			<sup>n</sup> (79,553,913)	(79,553,913)			<sup>n</sup> (3,023,453)	(8,023,453)					

<sup>1</sup> From the State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

<sup>2</sup> Bond funds and all amounts in parentheses are not included in overall budget totals.

<sup>3</sup> From the State Beach, Park, Recreational and Historical Facilities Fund.

<sup>4</sup> From the Motor Vehicle Fund.

<sup>5</sup> From the Fair and Exposition Fund.

<sup>6</sup> From the State Highway Fund.

<sup>7</sup> For State Highway purposes from other funds—not included in overall budget totals.



**Schedule 1—Capital Outlay. COMPARATIVE STATEMENT OF EXPENDITURES—Continued**

Page Ref- er- ence	Organization Unit	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
		General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
	<b>WILDLIFE CONSERVATION PROGRAM</b>									
<b>Resources:</b>										
308	Department of Fish and Game.....		\$1,163,154	\$1,163,154		\$2,237,101	\$2,237,101		\$2,101,000	\$2,101,000
310	Wildlife Conservation Board.....		\$671,341	671,341		\$759,000	759,000		\$780,025	780,025
	<b>Totals, Wildlife Conservation Program.....</b>		\$1,834,495	\$1,834,495		\$2,996,101	\$2,996,101		\$2,971,025	\$2,971,025
	<b>PARKS AND RECREATION ACQUISITION AND DEVELOPMENT PROGRAM</b>									
<b>Resources:</b>										
314	Department of Harbors and Watercraft.....									
	Department of Parks and Recreation:									
315	State Park and Recreation Commission.....	\$2,703,392	\$3,960	\$2,797,352	\$10,061,551	\$431,078	10,492,429	\$8,133,094		\$8,133,094
315	State Park and Recreation Commission.....		(\$182,724)	(-182,724)			(901,400)			(849,800)
	<b>Totals, Parks and Recreation Acquisition and Development Program.....</b>	\$2,703,392	\$3,960	\$2,797,352	\$10,061,551	\$431,078	\$10,492,429	\$8,133,094		\$8,133,094
	<b>CALIFORNIA WATER FACILITIES PROGRAM</b>									
<b>Resources:</b>										
331	Department of Water Resources.....	\$207,441	\$7,775,200	\$7,982,731	\$1,189	\$78,789	\$79,978			
	Department of Water Resources:									
331	Department of Water Resources.....									
337	Reclamation Board Projects.....	3,706,478		3,706,478	3,389,983		3,389,983	\$3,375,202		\$3,375,202
	<b>Totals, California Water Facilities Program.....</b>	\$3,973,919	\$7,775,200	\$11,749,209	\$3,391,172	\$78,789	\$3,469,961	\$3,375,202		\$3,375,202
	<b>TOTALS, CAPITAL OUTLAY.....</b>	\$17,249,378	\$354,393,460	\$372,142,828	\$38,550,104	\$563,823,843	\$602,373,947	\$30,656,768	\$351,027,200	\$411,683,958
	<i>State Construction Program Fund<sup>2</sup>.....</i>									
	<i>Central Valley Water Project Construction Fund<sup>2</sup>.....</i>									
	<i>California Water Resources Development Bond Fund<sup>2</sup>.....</i>									
	<i>State Beach, Park, Recreational and Historical Faci- ties Fund<sup>2</sup>.....</i>									

<sup>1</sup> From the State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

<sup>2</sup> Bond funds and all amounts in parentheses are not included in overall budget totals.

<sup>3</sup> From the State Beach, Park, Recreational and Historical Facilities Fund—not included in overall budget totals.

<sup>4</sup> From the Fish and Game Preservation Fund.

<sup>5</sup> From the Wildlife Restoration Fund.

<sup>6</sup> From the Harbors and Watercraft Revolving Fund—not included in overall budget totals.

<sup>7</sup> From the Motor Vehicle Transportation Tax Fund.

<sup>8</sup> From the California Water Fund.

<sup>9</sup> From the Central Valley Water Project Construction Fund—not included in overall budget totals.

<sup>10</sup> From the California Water Resources Development Bond Fund—not included in overall budget totals.

**Schedule 2—Capital Outlay**

**COMPARATIVE STATEMENT OF EXPENDITURES OF FEDERAL AID GRANTED TO THE STATE OF CALIFORNIA FOR THE FISCAL YEARS 1967-68, 1968-69, AND 1969-70**

Function	Page references	Actual 1967-68	Estimated 1968-69	Estimated 1969-70
<b>STATE BUILDING PROGRAM</b>				
<b>EXECUTIVE:</b>				
Disaster Office				
Minor Projects.....	1	— \$19,048		
<b>EDUCATION:</b>				
Department of Education				
Schools for the Physically Handicapped				
School for the Deaf, Berkeley				
Federal Vocational Education Act.....	43	\$48,600		
<b>HIGHER EDUCATION:</b>				
University of California.....	50	22,565,790	\$17,383,844	\$15,336,000
State Colleges:				
Trustees of the California State Colleges				
Federal Grants.....	97	2,958,483	35,140,653	
Anticipated Reimbursable Federal Grants.....	97		23,347,000	8,522,000
Community Colleges.....	164	5,265,020	6,678,961	6,700,000
Totals, Higher Education.....		\$30,789,293	\$82,550,458	\$30,558,000
<b>HEALTH AND WELFARE:</b>				
Department of Employment				
Recovery of Capital Expenditures through rent.....	174	— \$209,118	— \$170,701	— \$210,870
Department of Mental Hygiene				
Neuropsychiatric Institutes				
Neuropsychiatric Institute at University of California at Los Angeles.....	176		543,000	
Department of Rehabilitation				
Orientation Center for the Blind.....	194	— 4,529	5,064	
Totals, Health and Welfare.....		— \$213,647	\$377,363	— \$210,870
<b>MILITARY AFFAIRS:</b>				
Military Department				
Construction of Armories.....	196	\$9,359	\$23,250	\$38,750
Facilities for maintenance and care of federal equipment.....	196	(1,029,085)	(2,364,831)	(1,422,500)
<b>RESOURCES:</b>				
Department of Conservation				
Division of Forestry.....	200	\$319,321	\$11,338	
Totals, State Building Program.....		\$30,933,878 b(1,029,085)	\$82,962,409 b(2,364,831)	\$30,385,880 b(1,422,500)
<b>STATE HIGHWAY PROGRAM</b>				
<b>TRANSPORTATION:</b>				
Department of Public Works				
Division of Highways.....	227	\$379,570,110	\$417,595,542	\$415,060,734
<b>WILDLIFE CONSERVATION PROGRAM</b>				
Wildlife Conservation Board				
Land and Water Conservation Fund Act.....	310	\$6,366		
Anadromous Fish Act.....	310	33,509	\$1,066,500	
Totals, Wildlife Conservation Program.....		\$39,875	\$1,066,500	
<b>PARKS AND RECREATION ACQUISITION AND DEVELOPMENT PROGRAM</b>				
Department of Parks and Recreation.....	315	\$1,500,000	\$65,000	
<b>CALIFORNIA WATER FACILITIES PROGRAM</b>				
Department of Water Resources				
Federal Flood Control Contributions.....	335	\$12,483,012	\$11,931,000	\$10,123,000
Federal Share of Operation and Maintenance.....	334		1,258,275	1,348,500
Totals, California Water Facilities Program.....		\$12,483,012	\$13,189,275	\$11,471,500
<b>TOTALS, CAPITAL OUTLAY (Federal Funds).....</b>		<b>\$424,526,875</b> b(1,029,085)	<b>\$514,878,726</b> b(2,364,831)	<b>\$456,918,114</b> b(1,422,500)

<sup>b</sup> Federal Funds not included in overall budget totals and not reported in detail budget schedules and not summarized in the Reconciliation with Appropriations.



## Schedule 3—Capital Outlay

## SUMMARY OF PROPOSED EXPENDITURES BY METHOD OF APPROPRIATION FOR THE FISCAL YEAR 1969-70

Function	Proposed Budget Act of 1969				Statutory Authorization	Prior Year Appropriations, Continuing Appropriations and Reappropriations				Governmental Cost Funds Total	Total
	General Fund	Special Funds	Total	Bond Fund <sup>a</sup>		General Fund	Special Funds	Total	Bond Fund <sup>a</sup>		
STATE BUILDING PROGRAM											
General Administration:											
Department of General Services.....	\$2,419,314		\$2,419,314							\$2,419,314	\$2,419,314
State Exposition and Fair Executive Committee.....		b \$58,500	58,500							58,500	58,500
Agriculture:											
Department of Agriculture.....	28,750		28,750							28,750	28,750
Corrections:											
Department of Corrections.....	287,639		287,639							287,639	287,639
Department of the Youth Authority.....	1,766,760		1,766,760						\$8,670,100	1,766,760	10,426,860
Education:											
School for the Deaf, Berkeley.....	27,000		27,000							27,000	27,000
School for the Deaf, Riverside.....	123,615		123,615							123,615	123,615
Higher Education:											
Augmentation of Higher Education Capital Outlay.....	60,000,000	c 60,000,000									
University of California.....		\$34,337,000	34,337,000				\$3,028,000	\$3,028,000		37,365,000	37,365,000
University of California.....							d (26,302,770)	d (26,302,770)			
Trustees of the California State Colleges.....		\$44,664,300	44,664,300				e (42,077,850)	e (42,077,850)		44,664,300	44,664,300
California Maritime Academy.....	268,500		268,500							268,500	268,500
Community Colleges.....				\$29,158,625						29,158,625	29,158,625
Health and Welfare:											
Department of Employment.....		f 210,870	210,870							210,870	210,870
Unemployment Trust Fund (Reed Act).....		g (-379,355)	(-379,355)							(-379,355)	(-379,355)
Department of Mental Hygiene.....	2,569,634		2,569,634							2,569,634	2,569,634
Military Affairs:											
Military Department.....	358,850		358,850							358,850	358,850
Regulation and Licensing:											
Department of Professional and Vocational Standards.....		h (60,350)	(60,350)							(60,350)	(60,350)
Resources:											
Department of Conservation.....	1,250,000		1,250,000							1,250,000	1,250,000
Department of Water Resources.....	84,650		84,650							84,650	84,650
Air Resources Board.....		i 250,000	250,000							250,000	250,000

<sup>a</sup> From State Construction Program Fund unless otherwise indicated—not included in overall budget totals.<sup>b</sup> From State Fair Fund.<sup>c</sup> From Capital Outlay Fund for Public Higher Education.<sup>d</sup> From University and plant funds—not included in overall budget totals.<sup>e</sup> From State College Funds—not included in overall budget totals.<sup>f</sup> From Department of Employment Contingent Funds.<sup>g</sup> From Unemployment Trust Fund (Reed Act)—not included in overall budget totals.<sup>h</sup> From Department of Professional and Vocational Standards Fund—not included in overall budget totals.<sup>i</sup> From Motor Vehicle Fund.

# Schedule 3—SUMMARY OF PROPOSED EXPENDITURES BY METHOD OF APPROPRIATION FOR THE FISCAL YEAR 1969-70—Continued

Function	Proposed Budget Act of 1969				Statutory Authorization	Prior Year Appropriations, Continuing Appropriations and Reappropriations				Governmental Cost Funds Total	Total
	General Fund	Special Funds	Total	Bond Fund*		General Fund	Special Funds	Total	Bond Fund*		
STATE BUILDING PROGRAM—Continued											
Transportation:											
Department of the California Highway Patrol.....		1,846,095	1,846,095							1,846,095	1,846,095
Department of Motor Vehicles.....		4,981,150	4,981,150							4,981,150	4,981,150
Veterans Affairs:											
Veterans' Home of California.....	53,150		53,150							53,150	53,150
Unallocated:											
Project Planning.....	300,000		300,000							300,000	300,000
Increased Cost of Construction.....				2,000,000						800,000	3,800,000
Miscellaneous Repairs, Improvements and Equipment.....	50,000		50,000							50,000	50,000
TOTALS, STATE BUILDING PROGRAM.....	\$78,547,862	\$16,928,175 (— 319,005)	\$95,474,037 (— 319,005)	\$31,155,625		\$600,000	\$3,028,000 (88,380,620)	\$3,628,000 (88,380,620)	\$9,670,100	\$99,102,037	\$139,930,762
General Fund.....	\$78,547,862					\$600,000				\$79,147,862	\$79,147,862
Special Funds.....		\$16,928,175					\$3,028,000			19,954,175	19,954,175
State Construction Program Fund.....				\$1,155,625					9,670,100		40,886,785
DISTRICT FAIR CONSTRUCTION PROGRAM											
Agriculture:											
District Agricultural Associations.....					\$1,533,400					\$1,533,400	\$1,533,400
STATE HIGHWAY PROGRAM											
Transportation Agency:											
Division of Highways.....					\$325,563,000					325,563,000	325,563,000
WILDLIFE CONSERVATION PROGRAM											
Resources:											
Department of Fish and Game.....		\$3,115,600	\$3,115,600							3,191,600	3,191,600
Wildlife Conservation Board.....				\$1,181,340						780,025	1,961,374
PARKS AND RECREATION ACQUISITION AND DEVELOPMENT PROGRAM											
Resources:											
Department of Parks and Recreation:											
State Park and Recreation Commission.....	\$7,472,049		7,472,049 (849,800)	\$4,520,076		\$661,645		661,645		8,133,694	12,653,770
State Park and Recreation Commission.....											

\* From State Construction Program Fund unless otherwise indicated—not included in overall budget totals.  
 † From Motor Vehicle Fund.  
 ‡ From State Fair and Exposition Fund.  
 § From State Highway Fund.  
 ¶ From Fish and Game Preservation Fund.  
 †† From State Beach, Park, Recreational and Historical Facilities Fund—not included in overall budget totals.  
 ‡‡ From Wildlife Restoration Fund.  
 §§ From Harbors and Watercraft Revolving Fund—not included in overall budget totals.



**Schedule 3—SUMMARY OF PROPOSED EXPENDITURES BY METHOD OF APPROPRIATION FOR THE FISCAL YEAR 1969-70—Continued**

Function	Proposed Budget Act of 1969				Statutory Authorization	Prior Year Appropriations, Continuing Appropriations and Reappropriations				Governmental Cost Funds Total	Total
	General Fund	Special Funds	Total	Bond Fund *		General Fund	Special Funds	Total	Bond Fund *		
<b>CALIFORNIA WATER FACILITIES PROGRAM</b>											
Resources:											
Department of Water Resources.....											70,121,685
Department of Water Resources.....											302,690,480
Flood Control:											
Reclamation Board.....	3,375,202		3,375,202							3,375,202	3,375,202
<b>GRAND TOTALS, CAPITAL OUTLAY.....</b>	<b>\$89,395,113</b>	<b>\$20,041,775</b> (530,795)	<b>\$109,436,888</b> (530,795)	<b>\$36,860,050</b>	<b>\$327,881,425</b>	<b>\$1,261,645</b>	<b>\$3,104,000</b> (68,380,620)	<b>\$4,365,645</b> (68,380,620)	<b>\$382,482,265</b>	<b>\$441,683,653</b>	<b>\$861,026,273</b>
General Fund.....	\$89,395,113										
Special Funds.....		\$20,041,775									
State Construction Program Fund.....											90,656,768
State Beach, Park, Recreational and Historical Facilities Fund.....											\$51,087,200
Central Valley Water Project Construction Fund.....											40,823,745
California Water Resources Development Bond Fund.....											5,701,425
											70,121,685
											302,690,480

\* From State Construction Program Fund unless otherwise indicated—not included in overall budget totals.

† From Central Valley Water Project Construction Fund—not included in overall budget totals.

‡ From California Water Resources Development Bond Fund—not included in overall budget totals.

**Schedule 4—Capital Outlay**

**COMPARATIVE STATEMENT OF EXPENDITURES AUTHORIZED BY THE BUDGET ACT AND EXPENDITURES REQUIRED BY THE  
CONSTITUTION OR OTHER STATUTES FOR THE FISCAL YEARS 1967-68, 1968-69, AND 1969-70**

Purpose and Legal Citation	Actual 1967-68			Estimated 1968-69			Estimated 1969-70		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
<b>STATUTORY AUTHORIZATIONS</b>									
<b>AUTHORIZED BY STATUTES:</b>									
General Administration:									
State Exposition and Fair									
Section 3557, Agricultural Code		\$5,600,000	\$5,600,000						
<b>Agriculture:</b>									
District Agricultural Associations									
Section 19630, Business and Professions Code and Section 4002, Agricultural Code		1,114,103	1,114,103		\$3,242,388	\$3,242,388		\$1,538,400	\$1,538,400
<b>Transportation:</b>									
Department of Public Works									
Section 183, Streets and Highways Code		332,336,131	332,336,131		513,089,763	513,089,763		325,563,000	325,563,000
<b>Resources:</b>									
Wildlife Conservation Board									
Section 1352, Fish and Game Code		671,341	671,341		759,000	759,000		780,025	780,025
<b>TOTALS, STATUTORY AUTHORIZATIONS</b>		\$339,721,575	\$339,721,575		\$517,091,151	\$517,091,151		\$327,881,425	\$327,881,425
<b>BUDGET ACT AUTHORIZATIONS</b>									
Expenditures from appropriations and authorizations which are subject to legislative or executive determinations, including Budget Act appropriations, special appropriations, balances available in prior year appropriations made available for expenditure for more than one fiscal year, and deficiency authorizations.									
<b>TOTALS, BUDGET ACT AUTHORIZATIONS</b>	\$17,249,378	\$15,171,875	\$32,421,253	\$83,550,104	\$51,732,692	\$135,282,796	\$90,656,758	\$23,145,775	\$113,802,533
<b>TOTALS, CAPITAL OUTLAY</b>	\$17,249,378	\$354,893,450	\$372,142,828	\$83,550,104	\$568,823,843	\$652,373,947	\$90,656,758	\$351,027,200	\$441,683,958



# Schedule 5—Capital Outlay (Financed by the General Fund and Special Funds)

1908-09 Fiscal Year														
	1907-08 Fiscal Year				1908-09 Fiscal Year									
	1908-09 Governor's Budget Estimated Expenditure	Savings	1909-70 Governor's Budget Actual	1908-09 Budget as Submitted	Effect of Legislative Action	Total Proposed Expenditures	Prior Year Balance Forward Adjustments	Transfers	Allocations	Deficiency Appropriation	Continuing Appropriation Augmentation	Estimated Savings	Estimated Expenditures	
GENERAL FUND	Legislative.....													
	Executive.....	\$18,303	—\$17,977	\$26			\$49	—\$49					\$14,085	
	General Administration.....	9,474,964	—5,434,583	4,040,381	\$1,444,721	—\$153,500	\$1,291,221	2,174,403	—189,778	\$25,000	\$1,410,000	—\$210,304	4,500,002	
	Agriculture.....	147,625	—131,545	16,079	64,000	—15,000	40,000	140,615	—14,800	16,000			190,815	
	Commerce.....	133,085	—10,383	122,712									111,531	
	Corrections.....	1,610,368	—513,307	1,007,061	3,592,929	—1,907,790	1,595,109	506,400	—3,558			—35,308	2,098,011	
	Education.....	98,900	—18,332	80,568	37,500		37,500	15,197	—137			—13,889	38,071	
	Higher Education.....	464,783	—138,917	325,866	53,096,525		53,096,525	102,062	—145	6,105		—3,859	53,200,768	
	Fiscal Affairs.....	4,150,133	—2,443,125	1,707,008	300,000		300,000	2,443,125					2,743,125	
	Health and Welfare.....	2,911,141	—503,324	2,347,817	3,717,219	—10,000	3,707,219	559,542		1,102		—564	4,207,200	
	Military Affairs.....	222,337	—1,135	221,202	281,435		281,435	9,581					291,016	
	Resources.....	6,762,062	147,220	6,909,282	26,488,291	—15,316,070	11,172,221	5,310,454		157,719		—1,521,045	15,124,749	
	Veterans Affairs.....	138,087	—59,981	81,076	29,000		29,000	14,232					43,832	
	Unallocated.....	1,361,270	—1,061,276	300,000	1,350,000	—400,000	950,000	980,512	18,080	—155,908		—874,293	925,000	
Totals, Capital Outlay (General Fund).....	\$27,403,044	—\$10,243,660	\$17,249,378	\$90,402,220	—\$17,892,330	\$72,509,890	\$12,420,746	—\$189,778	\$50,108		\$1,410,000	—\$2,650,862	\$83,550,104	
SPECIAL FUNDS	General Administration.....	\$5,172,902	\$427,098	\$5,600,000	\$1,445,250		\$1,445,250	—\$1,445,250					\$3,392,102	
	Agriculture.....	3,354,560	—1,854,251	1,470,309	1,480,500		1,480,500	518,218			\$1,384,444		35,308	
	Commerce.....	194,455	—142,314	52,141							35,308		37,787,737	
	Higher Education.....	4,004,204	—249,728	3,754,476	38,494,000	—\$758,600	37,736,300	51,430		\$1,008,000		—\$1,008,002	—170,701	
	Health and Welfare.....	—183,631	—25,487	—209,118	—244,113		—244,113	30,000				43,412	3,505,908	
	Resources.....	14,721,866	—5,108,121	9,613,745	12,063,420	—47,500	12,005,920	30,101	—\$714,107		—10,354,080	2,538,734	524,273,369	
	Transportation.....	476,565,851	—141,953,954	334,611,897	338,150,675	1,301,620	339,452,295	141,407,718		71,300	43,342,056		\$568,823,843	
	Totals, Capital Outlay (Special Funds).....	\$503,830,207	—\$148,936,757	\$354,893,450	\$391,389,632	\$495,520	\$391,885,152	\$140,592,226	—\$714,107	\$1,079,300		\$34,407,125	\$1,574,144	
	Total Capital Outlay (General and Special Funds).....	\$531,323,251	—\$159,180,423	\$372,142,828	\$481,791,852	—\$17,300,810	\$464,395,042	\$153,021,072	—\$903,885	\$1,120,408		\$35,817,125	—\$1,085,718	\$652,373,947

\* A transfer from the California Water Fund to a nongovernmental cost fund, the Central Valley Water Project Construction Fund.













